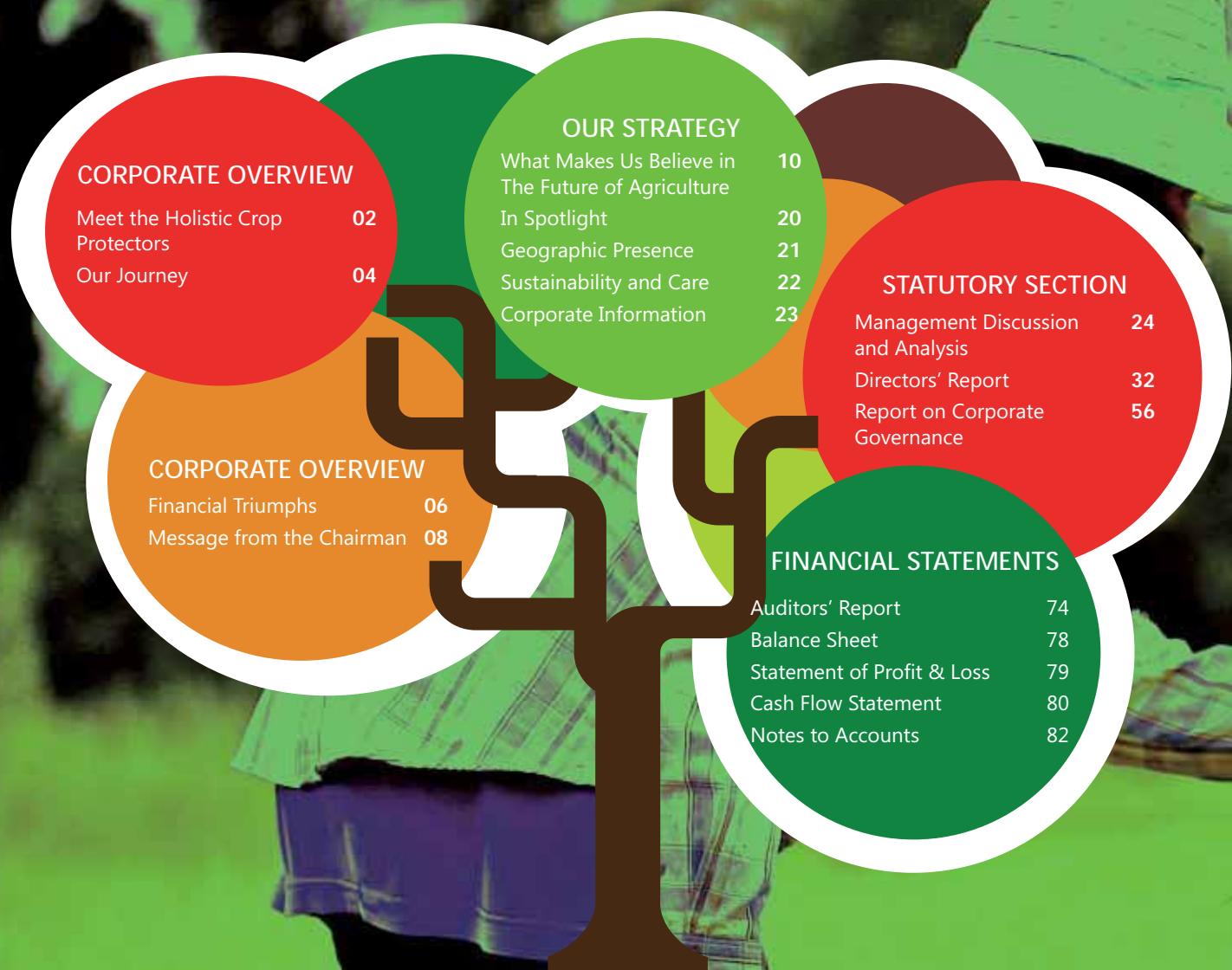


“WE
BELIEVE
IN THE
FUTURE OF
AGRICULTURE”





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Disclaimer

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



India has always been an agrarian economy. The irony, however, is that Indian farmers continue to suffer. In spite of abundant natural resources for agricultural growth, our country still fails to ensure food security for its own citizens. The recent spate of farmer suicides are further proof of the unavailability of the right means to ensure high yield crops.

And yet, we believe in the future of agriculture.

Because agriculture is still the biggest untapped potential zone in India. And with the ever expanding population, the demand for crops will be at an all-time high. It is the awareness of the farmers especially with regards to the agri inputs, that makes the difference. With intricate crop protection facilities in place, agriculture is bound to be the game changer for the Indian economy.

Hence we work relentlessly at making our belief a tangible reality. Because the future of our agriculture is also the future of us.

MEET THE HOLISTIC CROP PROTECTORS

With the ever burgeoning population of the country, the need of the hour is an upsurge in crop productivity and quality. This is where we, Insecticides (India) Limited (IIL), come in as a part of crop protection industry. We work with farmers hand-in-hand to scale up their crop productivity and quality, and provide them with complete crop protection solutions.

Incorporated in 1996, IIL today is among the fastest growing agrochemical companies in the country. Post the acquisition of brands from Montari Industries in 2003, our current product portfolio comprises Branded, Technical and Bulk Formulations. We are among the few crop protection companies in the country to create products covering the entire value-chain of crop protection, namely, Insecticides,

Herbicides, Fungicides and PGRs.

We have a total of 7 manufacturing facilities, with 5 Formulations and 2 Technical synthesis facilities, at locations that are within the vicinity of rich agricultural belts of the country. In addition, we have 29 depots and warehouses to ensure timely delivery of our products across the country.

7 Manufacturing facilities in India

More than 5000 distributors

29 Branch Offices and depots across India

More than 60000 dealers/Retailers

OUR LEADING BRANDS

NAV RATNA



Lethal

Victor

Thimet

Hijack

Monocil

Hakama

Pulsor

Xplode

Nuvan

SUPER 11



Prime Gold

Logo/Gama

Arrow

Sargent

Sharp

Phentom

Selector

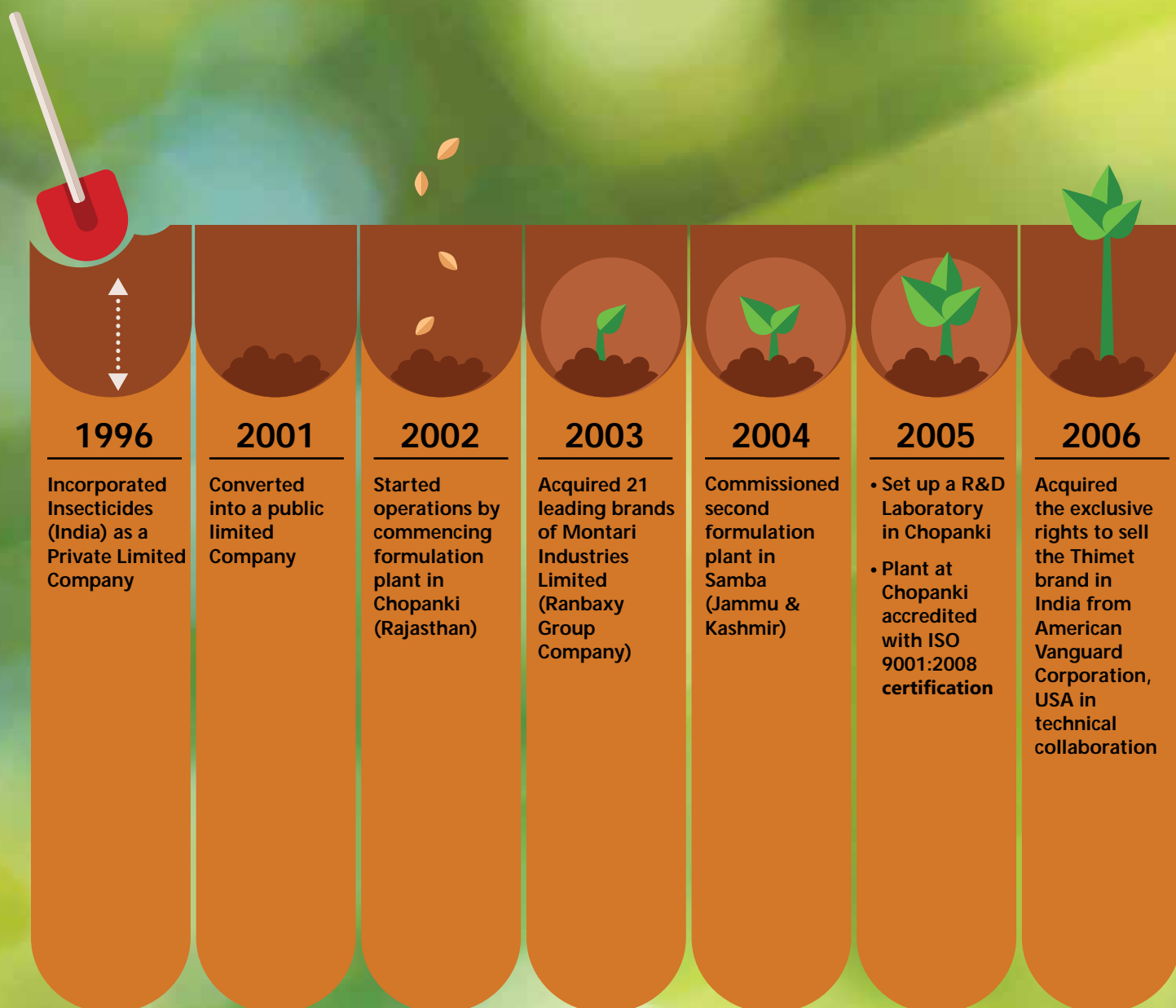
Superstar

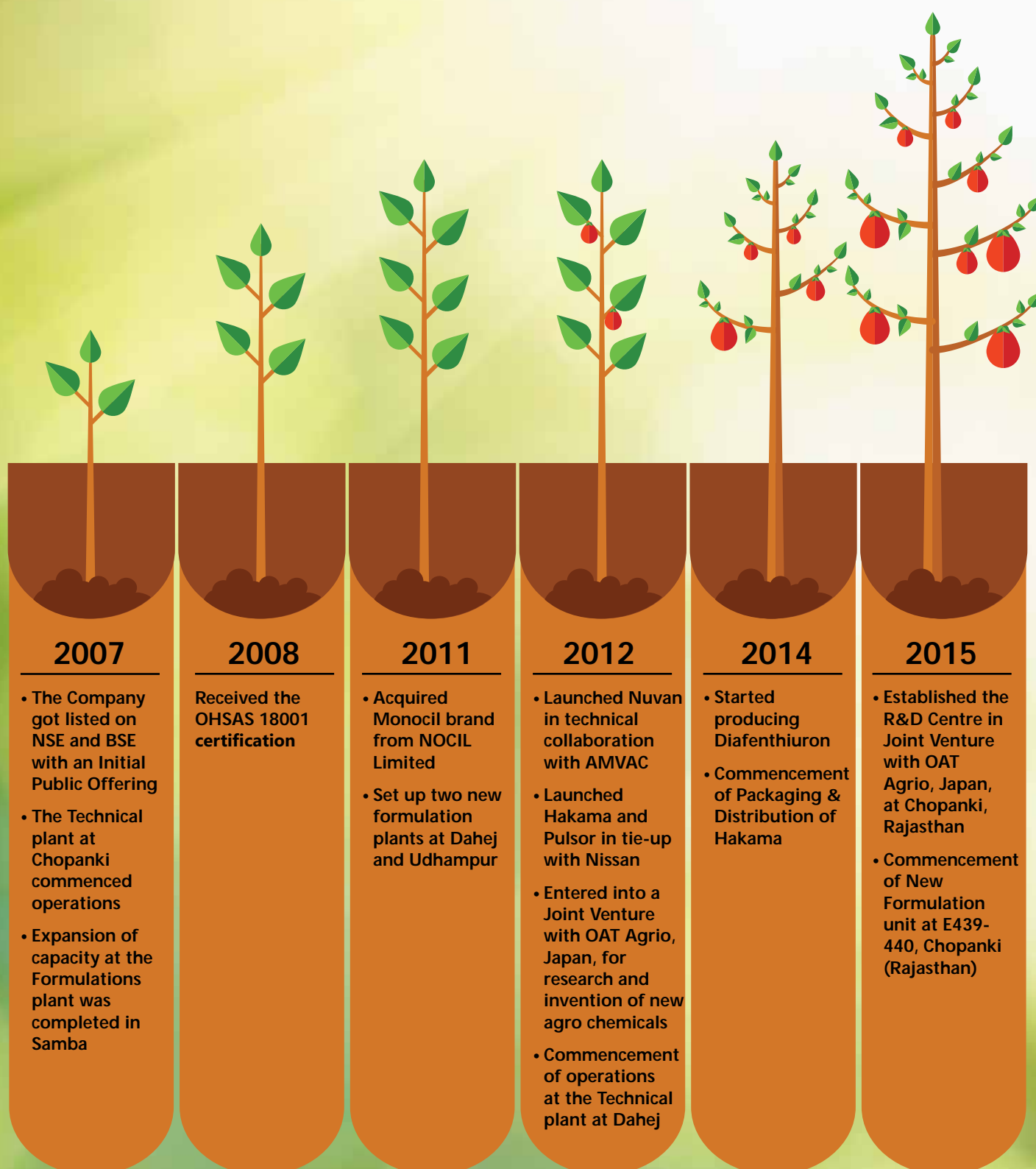
Mycoraja

Indan

Metro

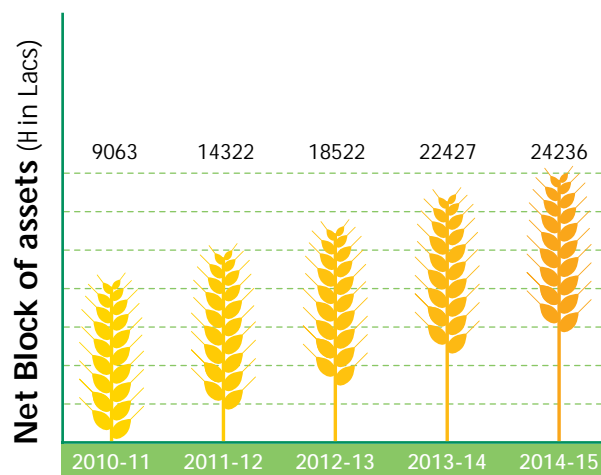
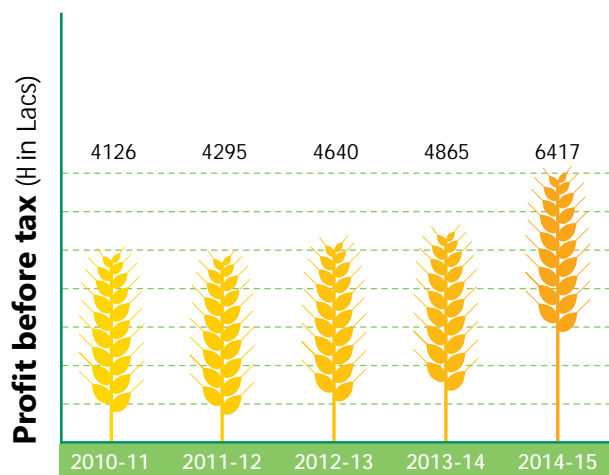
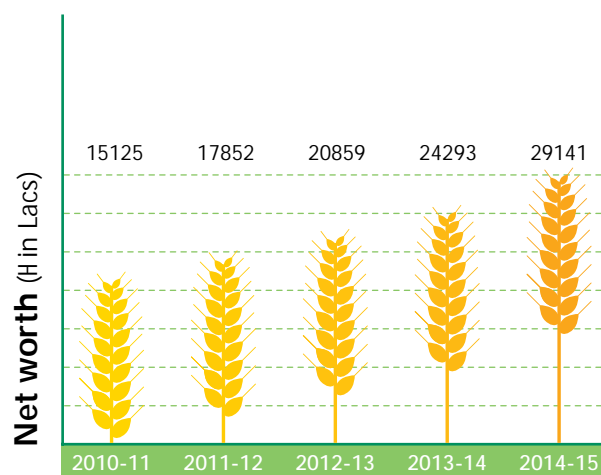
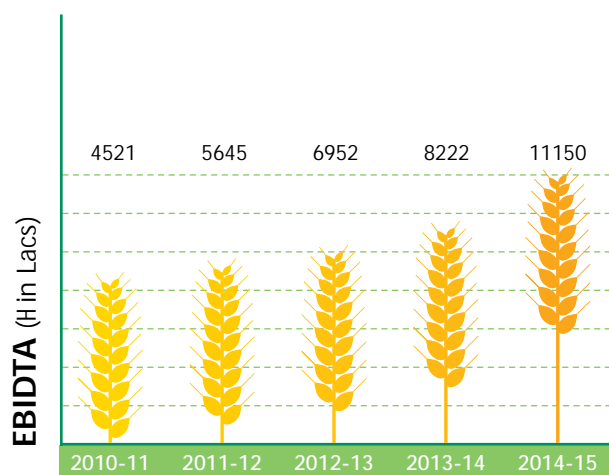
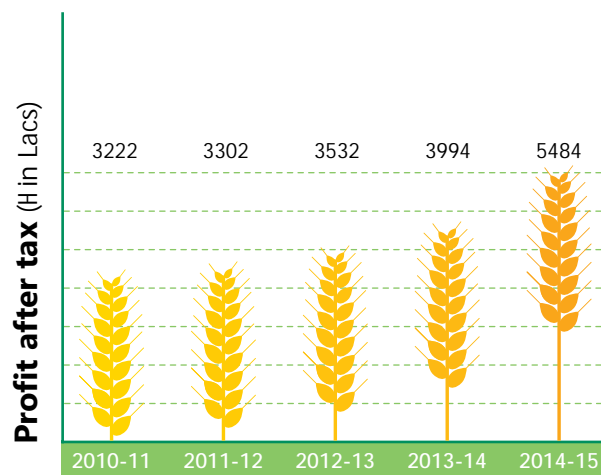
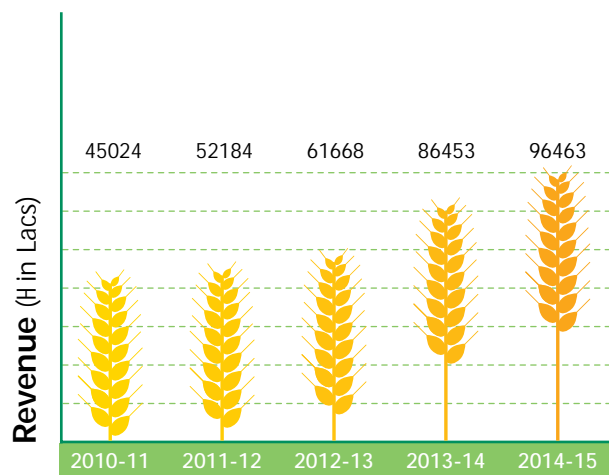
OUR JOURNEY

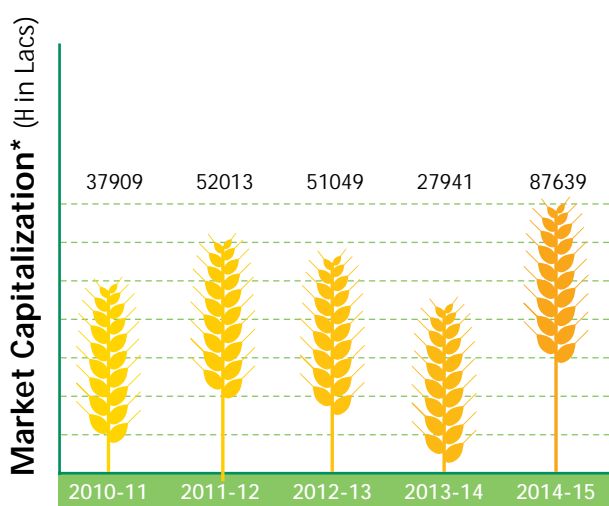
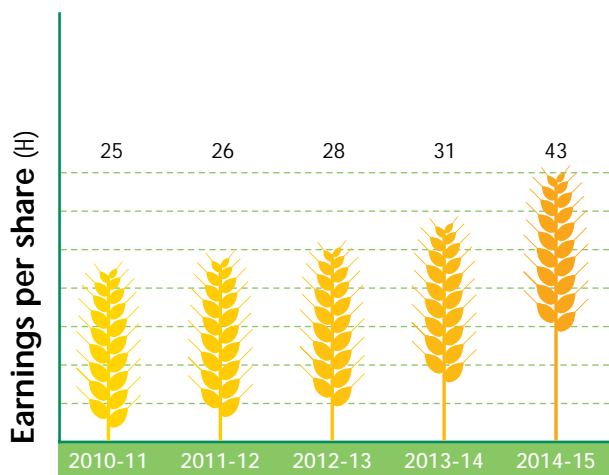




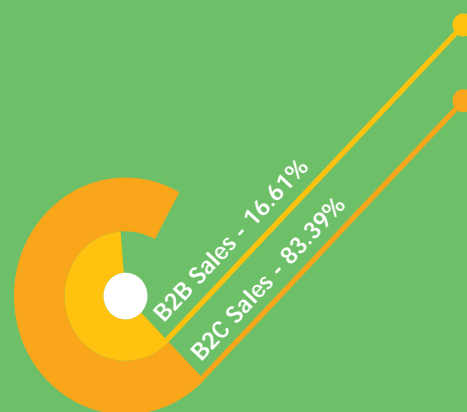
Note: Each of the above year stands for financial year i.e. 2015 would be FY 2014-15

FINANCIAL TRIUMPHS

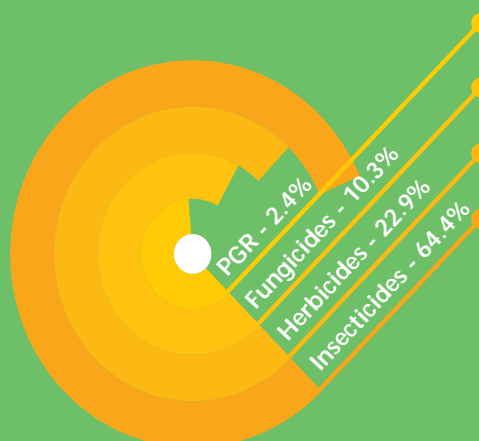




*(Source: BSE Limited)



REVENUE BY CUSTOMER SEGMENT



REVENUE BY PRODUCTS*

*This is only for the Branded formulations

Note: Pie chart not to scale

Today, farmers in our country are faced with multiple challenges – from unpredictable weather conditions, lower yield to increasing food demand. For addressing these challenges, crop protection becomes an integral part of the solution.

Dear Shareholders

The year 2014 was a year in which the potential and growth of the Indian agricultural sector was strikingly noticeable. However, the sector continues to be volatile with uncertain rains & frequent crop losses. Against such a challenging backdrop, your company delivered growth in revenue for the fourteenth consecutive year, backed by sustainable profitability.

The growth reflected in our numbers is the result of the strong belief that drives our company: **that agricultural sector will be the backbone of our country's prosperity for the times to come.** With increasing population, higher demand for food and reducing farm land, the need of the hour is to ensure higher crop productivity for the people of our country.

Today, farmers in our country are faced with multiple challenges – from unpredictable weather conditions, lower yield to increasing food demand. For addressing these challenges, crop protection becomes an integral part of the solution. The agrochemicals sector has not only helped increase yield but also assisted in protecting crops. In the last 15 years, the agrochemicals market has multiplied by almost five times – a scenario that is expected to continue in the coming years as well. The use of agrochemicals per hectare is still far below the levels followed in the developed nations. This underpins our belief for future growth potential and our long-term vision.

Amidst these circumstances, we reported a 12% growth in our top line, reaching ₹964 crore in 2014-15. Our integrated operations across research and development, manufacturing and marketing helped us reduce our operating expenses and increase our profitability to ₹55 crore (against ₹40 crore in 2013-14). Our financial success has been reinforced by our integrated strategy, thereby delivering results.

We are among the very few Indian agrochemicals companies that have a diverse portfolio of branded formulations, active ingredients and bulk formulations. This is supported by our state-of-art infrastructure and modern technologies, which ensure that our products are of high quality. We are confident that such breadth in portfolio will help us gain further market share across our product segments in the coming times.

As we enter the next phase of our strategy, our focus is clearly on diversifying our product line through our Research and Development. **We are the first Indian agrochemical company to have an innovative R&D centre in India.** With a team of 32 members comprising scientists and technicians, we expect to invent molecules for both domestic and international markets.

In addition to the above, we also have a ten year old in-house R&D Centre at Chopanki, Rajasthan, recognised by DSIR. This unit has been working in the direction of reverse engineering of off-patented products, and has made seven applications for process patents, with a grant approved for one process patent.

We launched three new technical products – Diafenthiuron, Imazethapyr and Myclobutanil

in 2014-15. We expect these to contribute to our top line significantly in the coming months. We streamlined our existing capacities for higher utilisation and achieved optimum production levels. With our second technical synthesis plant at Dahej, Gujarat, our total installed capacity of active ingredients increased by 10,000 MTPA. Our multipurpose technical synthesis plants have a total of 11 streams, which provide us the flexibility to expand our product range and change our product mix in response to the changes in the customer demands and industry trends.

We are also looking at expanding our product portfolio by setting up a bio products wing, with a dedicated bio R&D laboratory. We launched one bio fertilizer product, Mycoraja last year and the research team is working on developing 3-4 new products, to be launched in the near future.

We believe that our successful, inorganic growth strategies have contributed to our consistent advancement. **We have demonstrated this with our past acquisition of brands and turning them around into a profitable ventures.** Going ahead, we plan to leverage our manufacturing and marketing excellence and further

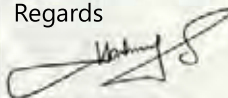
drive the growth of the acquired brands as well as look out for opportunities to add more to our product basket.

While we are gaining foothold in domestic territory we intend to grow our business by entering international markets as well. We have set up an export department, which will soon start paying good dividends and contribute to our revenues.

I would like to thank all our employees for their energy and dedication at this time of challenging external scenario. We have established the platforms for bringing knowledge to growers more quickly and for achieving a sustained improvement in their lives. These will allow us to work together towards realizing the vast potential of Indian agriculture.

I also take this opportunity to thank our customers, vendors and channel partners for their continued support and belief in their company. I look forward with a lot of optimism for the coming year.

Regards



Mr. H. C. Aggarwal
Chairman

“I also take this opportunity to thank our suppliers, dealers, distributors and all stakeholders for their continued support and belief in our company.”

OUR HOLISTIC APPROACH



Integration

Backed by our agronomic expertise and deep understanding of crop productivity, we have built an integrated business model to offer products that help farmers make their crops bountiful.

[Read more on page 12]

Innovation

We have introduced products that have been widely accepted by the farmer fraternity. With a dedicated R&D team on board, we intend to provide the latest technology and products to farmers.

[Read more on page 14]



Partnerships

Over the years we have partnered with leading agrochemical companies of the world to launch new products and adapt to new technologies. This has helped us generate sustainable revenues for stakeholder wealth creation.

[Read more on page 16]

OUR PRIME GROWTH CATALYSTS



People

The evolving nature of the sector requires us to strengthen our intellectual capabilities. At IIL, we continuously strengthen our people force, across verticals, enabling us to reach our goals.



Product portfolio

At IIL, we cater to the industry with products like insecticides, herbicides, fungicides and PGRs. These products are available in more than 99 formulations, 19 technicals and 350 SKUs.



Manufacturing

We have established manufacturing facilities with expanded capacities in India, backed by processes that are technology empowered. This allows us to manufacture with consistent quality and safety across our product line.



Research & Development

Our recently set up R&D centre in JV with OAT Agrio, Japan, strengthens our R&D capabilities. It will help us produce new molecules backed by innovation and also assist us in being reckoned amongst the leaders in crop protection sector.



Eco-friendly

All our manufacturing facilities are equipped with technologies and infrastructure that help reduce the impact on environment.



Governance

Our journey towards growth has been supported by our principle of doing things the right way. We focus strongly on transparency, ethics and governance (within and outside the organisation) to drive the organisation ahead.

OUR BELIEF SUPPORTED BY
INTEGRATION

At Insecticides (India), our differentiating factor is our integrated business model. Our diversified offering to farmers enables them to tackle multiple crop protection problems, produce high yield crops and live a better life with sustained earnings.

Among the
Top 10
agrochemical
companies in India*

Key
9
brands forming
the Navratnas of
the product profile

375+
On-field team for
a larger farmer
connect

*(Source: CRISIL Report, 2015)



Over the years, we have gained agronomic expertise with a deep knowledge of the challenges faced by crop growers on various fronts. We leveraged our knowledge and experience, created an integrated business environment and answered the unprecedented challenges that surround food security in our country today.

We have always believed in bringing new and better solutions to our farmers. Our on-field team completes our value-chain of distribution, working tirelessly to generate more revenues and cover maximum geographies in the country. Currently a 379 member on-field force has helped us achieve a higher market share in the agrochemical sector. In addition, we have more than 5000 distributors and over 60000 dealers, all across India, to take our products closer to crores of farmers.

While the on-field team drives the finished product sale, our operational team ensures we continue strengthening the profitability levels. Our facilities are installed with state-of- art technologies to

produce products of high quality, across the length and breadth of our portfolio. Ensuring the best of product quality, we help the farmers enhance their yields, thereby building an enduring relationship, year after year. We have expanded our capacities multi-fold and set up 1 technical synthesis and 3 formulation facilities in the last five years.

Our diverse product basket completes our integrated value-chain. Factors like unpredictable monsoon and urban sprawl tend to add to the worries of crop protection, which is already accentuated by insects and diseases. At Insecticides (India) our products cover multiple problem areas faced by a crop grower, for a wide variety of crops. From branded formulations to technical to bulk formulations; our products under each segment is trusted and endorsed by lacs of farmers across the country. The result: more than 350+ registrations till March 2015, with Navratna (9 Premier brands) and Super 11 brands being the most value-generating products.



At Insecticides (India), we are always crop and farmer-focused. This deeply embedded philosophy helps us improve products in line with evolving farmer needs. We remain committed to produce new products that complement our existing portfolio. This 'innovation-driven' approach is the true force behind Insecticides (India)'s growth.

50

New processes
developed for several
products

₹8 crore

invested in setting
up new R&D
facilities

350+

registrations filed
till March 2015



Research & Development (R&D) forms an integral cornerstone of our growth strategy. With increasing shortage of land and increasing demand for food, we realise the importance of new product development.

We set up our first R&D unit in 2005 for reverse engineering of off-patented products. The centre at Chopanki, Rajasthan is recognised by DSIR. We successfully developed 50 new processes, received one process patent and 7 patent applications are pending for approval with the Indian Patent Office. One of the breakthrough innovations by the R&D team was the new process for Thiamethoxam as an environmentally friendly product, by eliminating Methanol from its formulation. This helped decrease time and cost substantially.

We also established our new R&D facility at Chopanki, Rajasthan with our

recent Joint Venture partner OAT Agrio, Japan. The unit, backed by 32 scientists and experts has been exponential for the development and invention of new agriculture molecules for domestic and international markets, along with the managing of intellectual property. With this joint venture, we expect to launch new patented products (with exclusive distribution rights) in India and 14 other countries including the Middle East and East African countries.

Knowing that agrochemicals worth US\$6.3 billion* are expected to be off-patented by 2020, a significant opportunity to introduce new products with patent molecules lies ahead. We are optimistic about developing, breakthrough innovative products for crop protection, which would significantly contribute to the top line in the coming years. (*Source: FICCI Report)



OUR BELIEF BACKED BY
PARTNERSHIPS

At Insecticides (India), we have moved swiftly in terms of new and innovative products through licensing, tie ups and strategic joint ventures. We have been working with several global agrochemical companies to leverage their expertise in order to introduce products for the Indian farmers.

53%

Of the total brand sales belong to Navratna Range of Products

15%

Of the total brand sales belong to Super 11 Range of Products

25.05%

CAGR in revenues in last three years



In early 2006, we partnered with AMVAC, USA to acquire the manufacturing, marketing and distribution rights of Thimet brand (Insecticide) for India and Nepal. Today, Thimet is the largest revenue grosser for the Company. Similarly, we acquired manufacturing, marketing and distribution rights for Nuvan brand (Insecticide) from AMVAC, USA.

In addition, we also acquired the marketing rights of Nissan Chemical's (from Japan) leading products, Pulsor and Hakama (Fungicide and Herbicide respectively) in 2012. Both these products are today leading products in their respective segments, serving farmers with qualitative crop protection solutions.

Our recent joint venture with OAT Agrio, Japan further strengthens our commitment towards new product development. OAT Agrio, being one of the research companies in Japan, brings to table their expertise for new molecule development, which would in turn help us come up with novel products in the minimum possible time.

We shall continue to develop strong brands under each product category, backed by our effective marketing and branding strategies. Our extensive range of product (branded formulations, technical and bulk formulations) continues to earn the trust of the farmer fraternity, thereby making farming a viable and attractive occupation for the rural communities.



OUR CAPACITY METER

**17,450
KLPA**

*Aggregate installed
capacity of liquid*

**75,600
MTPA**

*Aggregate installed
capacity of granules*

**16,980
MTPA**

*Aggregate installed
capacity of powder*

**13,800
MTPA**

*Aggregate installed
capacity of active
ingredient and bulk*

We commenced operations at our formulation plant in Chopanki (Rajasthan) in fiscal 2002. Presently, we operate seven manufacturing facilities, with five formulation plants located at Chopanki (Rajasthan), Udhampur and Samba (Jammu & Kashmir), Dahej (Gujarat) and two technical synthesis plants located at Chopanki (Rajasthan) and Dahej (Gujarat). Our technical manufacturing capacity accounted for approximately 4% of India's installed capacity in fiscal 2014. All our manufacturing facilities are equipped with fully automatic lines and automatic packaging machinery which facilitate in manufacturing quality products.





Location	Unit	Started in	Plot Area (in sq.mtrs)	Built up area (in sq.mtrs)	Installed capacity (MTPA)	Capacity Utilisation (MTPA)
CHOPANKI, RAJASTHAN	Unit-I Formulations	FY02	8000	3314	18000	11143
	Unit-II Technicals	FY08	3958	1657	3800	1199
	Unit-III Formulations	FY15	7094	4077	20000	2120
SAMBA, JAMMU & KASHMIR	Formulations	FY05	9358	6210	13430	6157
UDHAMPUR, JAMMU & KASHMIR	Formulations	FY12	6070	5434	5600	2921
DAHEJ, GUJARAT	Unit-I Formulations	FY12	167314	11830	53000	14924
	Unit-II Technicals	FY13			10000	6564



चौतरफा असर दिखाए पल्सर

प्राकृतिक घटक व अधिक कृषिशील का पुटाय

बगियाँ में पुट टानी की सज्जा में बजेली

मान में नाइ नगार

होय बसाइय होय का सम्पन्न निराकरण

घरकदा टाले

सामय व सुदृढ़ जड़े

अन्यत्र उपज अधिक मुनाफ़

3 Quality Product from NISSAN JAPAN

Pulsor

insecticides

अब शक्ति आपके हाथ में

हकामा का वार सबसे असरदार

होमोलीन में सज्जा पल्ले की कालकलाह की धिंधिल का विर

3 Quality Product from NISSAN JAPAN

NAKAMA

insecticides

अब शक्ति आपके हाथ में

जीत की गारंटी

सफ़ेद मक्खी मिटाए पैदावार बढ़ाए

LOGO

अब शक्ति आपके हाथ में

insecticides

Xप्लोड

Emamectin Benzoate 5% SG

मिट दे सुन्डियों का नामोनिशाग

XPLODE

insecticides

अब शक्ति आपके हाथ में

ड्रैक्टर ब्रांड का मजबूत विश्वास अब नुवान

बनाए और भी खास

insecticides

अब शक्ति आपके हाथ में

पोधों की वृद्धि का राजा माइकोराजा

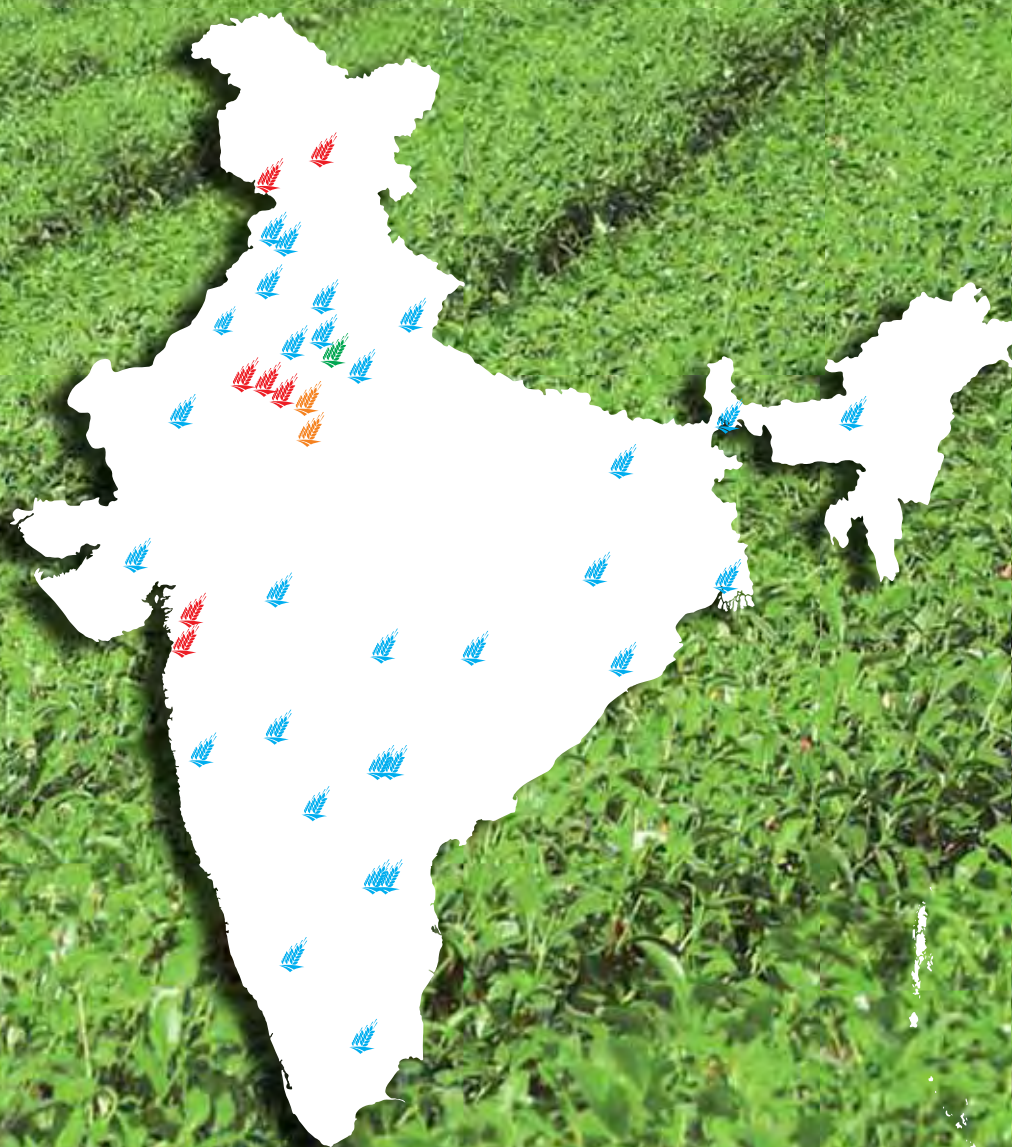
• धनी और लम्बी जड़ों का विकास
• मिट्टी के रोगाणुओं से रक्षा
• ज्यादा तंदुरुस्त फसल
• बेहतर जलशोषण
• ज्यादा गुंथि

MYCORAJA

insecticides

अब शक्ति आपके हाथ में

GEOGRAPHIC PRESENCE



Registered office

- New Delhi



Manufacturing locations

- Chopanki
- Dahej
- Samba
- Udampur



R&D Center

- Chopanki



Branch Office/Depot

- | | | |
|----------------|-------------|------------------|
| • Ahmedabad | • Howrah | • Ranchi |
| • Bhatinda | • Hyderabad | • Raipur |
| • Bangalore | • Indore | • Sri Ganganagar |
| • Bhubaneshwar | • Jalgaon | • Sindhanur |
| • Coimbatore | • Jaipur | • Siliguri |
| • Ghaziabad | • Karnal | • Vijaywada |
| • Gadarpur | • Kundli | |
| • Guwahati | • Ludhiana | |
| • Hajipur | • Nagpur | |
| • Hisar | • Pune | |



Your company has set up IIL Foundation, with an aim to make the CSR wing of the company dedicated to their goals and make a difference. These form part of the overall business ethics of the Company. Through its various CSR programs, Insecticides (India) is confident of catalysing sustainable living in every life that it touches. Two main projects have been taken up under IIL foundation: farmer awareness program by the name of Kisan Jagrukta Abhiyan and child education under Project Vidhya.

Project Vidhya

- Started the social welfare program in districts of Punjab, Rajasthan and Odhisa
- Have adopted several school in villages supporting them
- Have successfully provided books and study material to children
- Have the objective to further adopting villages and empowering people with dignity, respect and a better livelihood

Kisan Jagrukta Abhiyan

- Understanding the vitality of crop protection, the need for information for farmers for their upliftment, 'IIL initiated a farmer awareness initiative "KISAN JAGRUKTA ABHIYAN"
- We have taken up the project to promote the cultivation of 'Green Gram', helping farmers to enhance their soil fertility and help generate extra income
- Several thousands of farmers attended the camp, gaining significant insights on potential benefits of use of agrochemicals

CORPORATE INFORMATION

Board of Directors

Mr. Hari Chand Aggarwal, *Chairman*

Mr. Rajesh Aggarwal, *Managing Director*

Mrs. Nikunj Aggarwal, *Whole-time Director*

Mr. Vrijesh Kumar Gupta, *Director*

Mr. Navneet Goel, *Director*

Mr. Gopal Chandra Agarwal, *Director*

Mr. Navin Shah, *Director*

Mr. Anil Kumar Singh, *Director*

Company Secretary & Compliance Officer

Mr. Pankaj Gupta

Auditors

M/s Mohit Parekh & Co.
Chartered Accountants, Delhi

Cost Auditors

M/s A.G.S & Associates
Cost Accountants, Delhi

Internal Auditors

M/s Devesh Parekh & Co.
Chartered Accountants, Delhi

Bankers

Punjab National Bank
Citi Bank N.A
Standard Chartered Bank
Yes Bank Ltd.
HDFC Bank Ltd.
ICICI Bank
The Hong Kong Shanghai Banking Corporation Ltd. (HSBC)
IndusInd Bank Ltd.
State Bank of India
DBS Bank Limited

Registrar & Transfer Agent

Alankit Assignments Ltd.
Alankit House,
1E/13, Jhandewalan Extension
New Delhi-110055

Registered & Corporate Office

401-402, Lusa Tower, Azadpur
Commercial
Complex, Delhi-110033
CIN: L65991DL1996PLC083909
Website: www.insecticidesindia.com
E-mail: investor@insecticidesindia.com

Works

E-442, RIICO Industrial Area, Chopanki
(Bhiwadi)-301707 (Rajasthan)

E-439-440, RIICO Industrial Area,
Chopanki (Bhiwadi) -301707 (Rajasthan)

E-443-444, RIICO Industrial Area,
Chopanki (Bhiwadi) -301707 (Rajasthan)

SIDCO Industrial Growth Centre,
Samba -184121 (J&K)

IID Centre, Battal Ballian,
Udhampur-182101 (J&K)

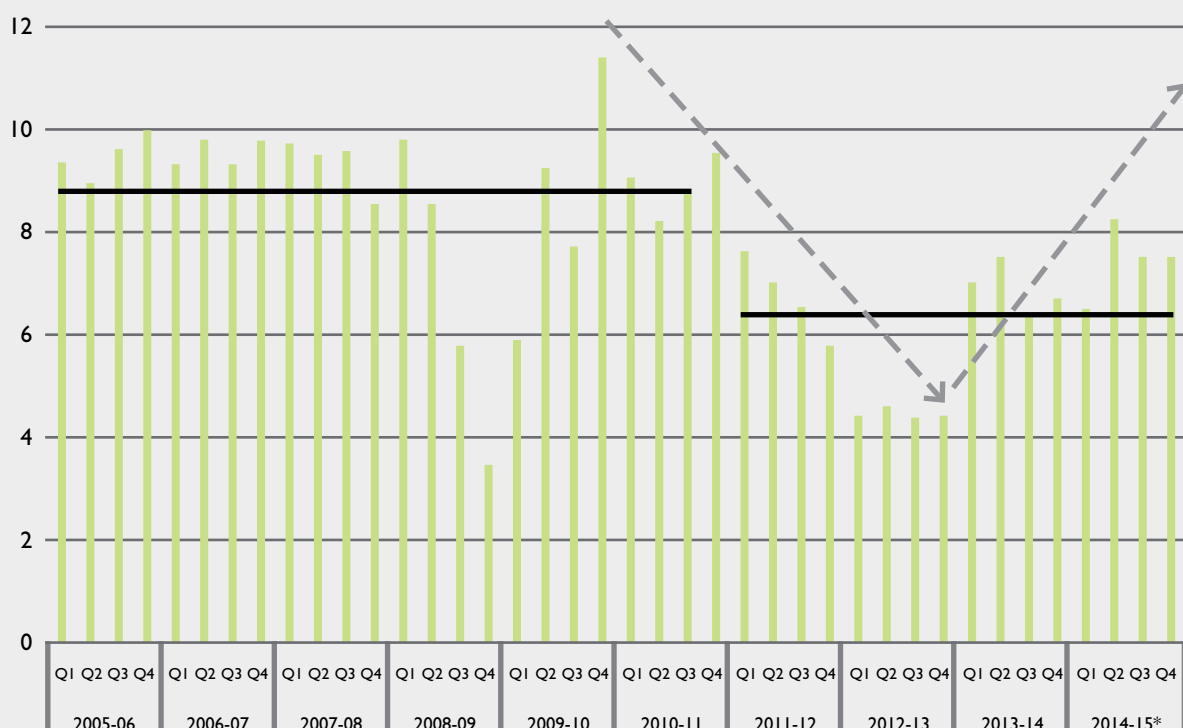
CH-21, GIDC Industrial Estate, Dahej
District- Bharuch- 392130 (Gujarat)

Management Discussion and Analysis

Indian economy

A political mandate at the central government elections last year renewed sense of optimism for economic growth despite benign external environment. Decisive shift in reforms and policies, controlled inflation, reduced current account deficit and stabilising rupee currency fuelled the country back to higher GDP growth. According to the data release by the Central Statistics Office (CSO), the economic grew by 7.3% in 2014-15 against 6.9% in 2013-14 as per the new series of national accounts with base year of 2011-12. The Gross Value Added (GVA), a new concept introduced by CSO to measure the economic activity, rose by 7.2% in 2014-15 compared 6.6 % in the previous fiscal.

Quarterly GDP growth



*Quarterly data for 2013-14 and 2014-15 is from the new GDP service measured by CSO with here year received on 2011-12

(Source: Reserve Bank of India)

Sector performance

The improvement in GDP was backed by surge in both services as well as manufacturing sector. The fourth quarter (January-March) of last fiscal saw the economy grow at 7.5%, better than 6.6% recorded for the previous three months, October-December. The manufacturing sector GVA rose by 7.1% during the year as against 5.3% in 2013-14. Similarly, the output of electricity, gas, water supply and other utility services rose by 7.9% as against 4.8% a year ago. The construction activity too registered an increase of 4.8%, up from 2.5% a year ago. Financial, real estate and professional services also showed an improvement by registering a growth of 11.5% as against 7.9% in previous fiscal. However, the farm and allied sectors grew by a meagre 0.2% compared to 3.7% a year ago. The output of mining and quarrying sector too slipped to 2.4% from 5.4% a year ago. (Source: Central Statistics Office, Government of India)

Industry overview - Agriculture

Agriculture has been an integral way of life and continues to be the single most important livelihood of more than half the population of the country. Agricultural policy focus in India across decades has been on self-sufficiency and self-reliance in food grains production. Since independence, agriculture sector has grown manifold, with food grain production rising from 52 million tonnes in 1951-52 to 265 million tonnes in 2013-14. At 157.35 million hectares, India holds the second largest agricultural land in the world. India is blessed with 20 different agri-climatic regions and all major 15 major climates in the world. The country also possesses 46 of the 60 soil types in the world. Agriculture sector saw a CAGR of 2.8% from FY07-14. Agriculture and allied sectors saw a growth of 3.6% in FY14. (Source: Ministry of Agriculture)

Did you know?

- India is the biggest producer of pulses in the world at 19 MT and their biggest importer 3.5 MT
- It is the second largest producer of sugar in the world and the

government has aimed to increase the exports from 1.3 MT in 2013 to an average of 2 MT in 2014 and 2015

- Spice exports from India are expected to reach US\$ 3 billion by 2016-17, on the back of creative marketing strategies, innovative packaging, strength in quality and a strong distribution network
- India achieved a record food grain production of 264 MT, beating the previous year's (2012-13) 257 MT, according to data provided by Department of Economics and Statistics (DES)
- According to the Cotton Corporation of India (CCI), the total production in the country during the season was 390 lakh bales in 2014-15, against 370 lakh bales in 2013-14
- As per survey conducted by The Soya Bean Processors Association of India (SOPA), the All India estimated production for Kharif 2014 is 104.366 Lacs MT as compared to 94.768 Lacs MT during Kharif 2013

Short-term and medium-term plan

As terms of trade deteriorate and as rural incomes come under pressure, for the short-term benefit, one must enhance targeted support for the vulnerabilities in agriculture sector. Among the many, two primary area of concerns being small farmers and agricultural labourers, needing immediate attention. The MGNREGA program has the virtue of being reasonably well-targeted. The challenge here is to build on this feature and use the program to build assets such as rural roads, micro-irrigation and water management, while also shoring up rural incomes. In the medium-term, the time is ripe for a more broad-based response to the challenges in agriculture and to ensure that agriculture grows at about 4 percent on a sustained basis.

Factors influencing agriculture

Apart from supporting the broader Indian economy, sustained growth in the agriculture sector is imperative to meet the suppliers and consumers needs. Some of the key factors that play a significant role in development of the sector are:

- **Irrigation:** India's irrigation potential has steadily increased and in FY13 it stood at 139.5 mn hectares compared to 90 mn hectares in 1995. Pradhan Mantri Krishi Sinchai Yojana is a key government irrigation initiative aimed at ensuring access to water to every farm and improving water use efficiency. Total allocation for FY16 for this scheme is US\$880m, including US\$300m towards micro-irrigation.
- **Mechanisation:** Mechanization is essential to improve productivity and efficiency of the sector. Growing sales of tractors and tillers in India reflects the increasing level of mechanization in farming; over FY07-14, tractor sales rose at a CAGR of 8.7 % and tillers at CAGR of 19.3 % over FY07-13.
- **Use of quality seeds:** Usage of hybrid seeds has been more prevalent in cash crops than food crops. In FY13, production of certified seeds increased to 3.0 mn tonnes from 1.27 mn tonnes in FY07. The government encourages private seed companies by providing a subsidy of 25 per cent of the capital cost subject to a maximum of USD50,000 per unit.
- **Use of agrochemicals:** Aggressive expansion of industrial and residential area has reduced the cultivatable area for crop production. This has pushed the thrust on increased usage of agrochemicals, to enhance the crop productivity and yield per acre. With India still lagging in terms of per hectare consumption of agrochemicals, the use of agrochemicals plays a key role in growth of the sector.
- **Institutional Credit:** Institutional credit to the agriculture sector increased at a CAGR of 17.4 per cent during FY07–13. Farmers are allowed to avail crop loans at an interest of 7 per cent. Domestic banks (both private and public) are stipulated to provide almost one-fifth (18 per cent) of their net bank credit to agriculture. Banks are issuing Kisan Credit Card (KCC) to farmers to provide timely and adequate credit support. Recent budget's target to achieve H8.5 lakh crore for the farm credit through bank network will provide much needed credit to the farming community.
- **Minimum Support Price (MSP):** Form of market intervention by Indian government of setting floor price for crops to protect farmers. The MSP is announced well ahead of the sowing season so that the farmers can take informed decisions on cropping. Government needs to ensure MSP benefits to broader farmer base and should be used as a price-shock protection tool rather than structural tool.
- **Foreign Direct Investment:** Agricultural services and machinery sectors have cumulatively attracted foreign direct investment (FDI) equity inflows to the tune of US\$ 2,153.61 million in the period April 2000-December 2014, according to the Department of Industrial Policy and Promotion (DIPP).
- **Weather:** The south-west monsoon season (June-October) is the most important weather pattern for the Indian economy and agriculture. A normal monsoon season is essential for the crops,

farmers and to ensure prices are maintained and inflation risk is contained. Kharif crops in India require monsoon rains for their growth. Cotton, Maize, Paddy, Soybean, Groundnut, Bajra and Sesame are among the major crops that rely on Monsoon rains. Dairy farms in India also depend on Southwest Monsoon to keep cows healthy.

Agrochemical sector – an overview

The adversities pertaining to agriculture sector, driven by low crop productivity and lesser realisations, substantially cause increased usage in agrochemicals. The low per capita consumption of agrochemicals further widens the scope and need to use agrochemicals in the sector. With increasing population, demand for food grains is increasing at a faster pace as compared to its production. Moreover, every year, significant amount of crop yield is lost due to non-usage of crop protection products.

Primarily, the crop protection sector is divided into five core categories:

- Insecticides
- Fungicides
- Herbicides

33%

Estimated increase in food grain production through use of crop protection products. (Source: FICCI Report)

- Plant growth regulators

Indian agrochemical industry

India is the fourth largest producer of crop protection chemicals globally, after United States, Japan & China. The crop protection industry is a significant industry for the Indian economy and accounts for ~3% of the total chemicals market. For FY14, Indian Crop market is estimated at ~USD 4.3 Bn and has been growing in double digits in the recent years. Greater export opportunities and introduction of newer molecules have led to high growth rates. Currently, the exports of crop protection chemicals are estimated at ~50% of the market. (Source: FICCI Report)

India's yield per hectare is still half of Thailand, Malaysia, Vietnam, and China. A Livemint study estimates that raising yields to levels of other Asian nations could help bring 125 million poor and vulnerable Indians to a minimum acceptable standard of living. Technology use is the key to this goal.

McKinsey Global Institute estimates that applications of a range of digital and agronomic technologies could –

- (a) have an economic impact of \$45-80 billion per year in Indian agriculture in 2025

- (b) would help up to 90 million farmers raise their incomes
- (c) 200-250 million Indians could benefit from better nutrition from more plentiful harvests
- (d) one million Indians in rural communities could find decent productive work in the agricultural sector as computer-equipped farm-extension workers.

High spent on food and large employed population makes agriculture a significant part of economy. Agriculture even though accounts for only ~13.7% of GDP it employs 47% of the workforce. However Indian agriculture is faced with challenges like limited farmland availability and low crop yields. India's agrochemicals consumption is

0.6

India is amongst the lowest in consumption per hectare of agrochemicals in the world.

one of the lowest in the world with per hectare consumption of just 0.6 Kg compared to US (7Kg/ha) and Japan (12 Kg/ha).

Key market trends

The Indian agrochemicals market is characterized by low capacity utilization. The industry suffers from high inventory (owing to seasonal & irregular demand on account of monsoons) and long credit periods to farmers, thus making operations 'working capital' intensive. India due to its inherent strength of low-cost manufacturing and qualified low-cost manpower is a net exporter of agrochemicals to countries such as USA and some European & African countries.

Focus on developing environmentally safe agrochemicals by the industry as well as the Government. The Department of Chemicals has initiated a nationwide programme for "Development and production of neem products as Environment Friendly Pesticides" with financial assistance from United Nations Development Programme (UNDP)

Opportunities and challenges

Key Opportunities

- **Low consumption:** With only 0.6 kg/ha, India is amongst the lowest in consumption per hectare of agrochemicals in the world. The developed nations consume agrochemicals far more, atleast 20-30 times more as compared to India. This presents a significant opportunity for the agrochemicals sector in India to grow in the coming times.
- **Export opportunity:** In the past few years, India has witnessed a strong export growth in agrochemicals. Globally, India is the thirteenth largest exporter of agrochemicals. The key growth

drivers are India's capability in low cost manufacturing, availability of technically trained manpower; seasonal domestic demand, overcapacity and better price realisation.

Indian Agrochemicals Exports

(In USD Bn)

FY09	FY10	FY11	FY12	FY13
1.05	1.15	1.38	1.66	2.00

(Source: Trademap statistics)

- **Growth in generic products:** During the period of 2014 - 2020 products worth USD 6.3 billion are expected to go off-patent providing opportunities for the Indian generic product manufacturer's organic growth opportunities and expand their market presence.

Agrochemicals going-off patent

(In USD Bn)

2014	2015	2016	2017	2018	2019	2020
1.3	0.9	1.2	1.6	0.4	0.7	0.2

- **Growth in herbicides and fungicides:** Labor shortage, rising labor costs and growth in GM crops has led to growth in the use of herbicides. The herbicide consumption in India currently stands at 0.3 USD billion and is expected to grow at a CAGR of 15% over the next five years to reach 0.6 USD billion by FY18. On the other hand the fungicide industry in India has grown due to the growth in Indian horticulture industry, which has grown at a CAGR of 7.5% over the last five years.

Key Challenges

- **Regulatory norms:** Understanding the complexities of the sector; regulatory norms play a crucial role in development of a new product. There are increasing cost of developing new products and simultaneously delay in introduction of new products in markets. The gestation period involved, ranging anywhere between 4-5 years is a hurdle for the growth of the sector.
- **Lack of R&D activities:** The mounting R&D costs, prevents large section of players from investing into the new product development. An estimated cost of USD 200 million for new product development acts as a hindrance for many players.
- **Lack of awareness:** Knowing the complexities involved in usage of agrochemicals, it is important to educate the farmers about the appropriate kinds of pesticide, its dosage and quantity. Owing to diverse landscape, geographic boundaries and dialect barriers, the agrochemical players are unable to communicate the advantages of the using the chemicals.
- **Lack of integrated distribution network:** The end-users of

agrochemicals being predominantly farmers, presses the need for having a large and integrated distribution network. Due to diverse landscape of the country, the industry players face problems of supply chain inefficiencies and inadequate infrastructure. This results in huge post harvest losses, thereby having a direct impact on the livelihood of the farmers.

- **Unorganised sector:** Being a critical sector that feeds the entire population of the country, the agrochemical sector is bound to only enhance the productivity of crops and enrich the livelihood of the farmers. However, with more than 40% of the sector dominated by unorganised, adulterated and sub-standard products, further damage the reputation and relevance of using agrochemicals.

Outlook

The Indian crop protection industry is estimated to be USD 4.25 billion in FY14 and is expected to grow at a CAGR of 12% to reach USD 7.5 billion by FY18. Exports currently constitute almost 50% of Indian crop protection industry and are expected to grow at a CAGR of 16% to reach USD 4.2 billion by FY18, resulting in 60% share in Indian crop protection industry. Domestic market on the other hand would grow at 8% CAGR, as it is predominantly monsoon dependent, to reach USD 3.3 billion by FY18.

Company overview

Insecticides India Limited (IIL) is today amongst the leading agrochemicals companies in India. With a strong product portfolio and a pan India presence, we are among the few companies in the country to have a complete integrated portfolio. Our product basket consists of formulations, technicals and household products.

With an increasing market share, our brands are fast emerging as most trusted crop protection tools in the Indian agriculture sector. We have entered into strategic partnerships and joint ventures with global agrochemicals players for licensing, marketing and distributor agreements. Over the years, we have also established a strong distribution network, spread across the country with more than 5000 distributors.

Business highlights

While the macro economic factors remained subdued and volatile, we performed quite well during the year under review. Some of the highlights during the year under review were:

- **R&D Centre:** Started the operations of our R&D unit in joint venture with OAT Agrio, Japan. With more than 32 scientists. We are among the few Indian agrichemicals company to have a R&D unit.
- **Patents:** This unit has been working in the direction of new process development, and is making applications for process patents.
- **Market:** Penetrated further into new districts and rural towns of our existing markets, as well forayed into new states in the country
- **Plants:** Operated the first full year of operations for the Technical plant at Dahej, operating at 66% capacity utilisation. We also commenced Operations of New Formulation plant at E439-440, RIICO Industrial Area, Chopanki.
- **New products:** Launched bio product Myocraja, a bio fertiliser, which has got overwhelming response. Introduced three technical products Diafenthuron, Imazethapyr and Myclobutanil.

Financial analysis

Analysis of the Profit and Loss account

Financial snapshot

	2014-15	2013-14	(H in Lacs) % growth (annualised)
Total income	103176.99	92298.92	12%
Net sales	96419.15	86408.16	12%
EBIDTA	11149.36	8221.87	36%
PAT	5484.38	3994.26	37 %

Income analysis

Total income

The total income of the Company (income from operating and non-operating income) increased 12% from H92298.92 Lacs in 2013-14 to H103176.99 Lacs in 2014-15.

Income from operating activities

The operating income of the Company comprising net sales increased 12% from H86408.16 Lacs in 2013-14 to H96419.15 Lacs in 2014-15, owing to an increase in sales.

Margin	(In percentage)	
	2014-15	2013-14
EBIDTA margin	11.56	9.51
Net profit margin	5.69	4.62

The Company's EBIDTA and PAT margins increased 205 and 117 basis points respectively backed by an increase in sales. The increase in margins was primarily because of an enhanced operational efficiency compared with last year.

Cost analysis

The total expenditure of the Company increased 10.36% from H81588.39 Lacs in 2013-14 to H90045.83 Lacs in 2014-15

Cost components	(H in Lacs)			
	2014-15	% of total cost	2013-14	% of total cost
Operating expenses	85313.32	94.75	78231.67	95.88
Financial expenses	3315.69	3.68	2691.17	3.30
Non-cash expenses	1416.82	1.57	665.55	0.82
Total	90045.83	100.00	81588.39	100.00

Operating expenses

Total operating expenses increased 9.05% from H78231.67 Lacs in 2013-14 to H85313.32 Lacs in 2014-15. The primary items in the operating expenses comprised:

Raw material costs: The cost of raw materials consumed increased 23.5% from H55028.87 Lacs in 2013-14 to H67963.68 Lacs in 2014-15, owing to an increase in the quantity of production along with a rise in the price of the raw materials. The raw material consumption, as a percentage of gross sales, increased from 59.65% in 2013-14 to 65.90% in 2014-15.

Manufacturing expenses: The Company's manufacturing expenses increased 26.07% from H3922.17 Lacs in 2013-14 to H4944.77 Lacs in 2014-15. The primary reasons for growth in the manufacturing costs are:

- Increase in power and fuel costs by 15.03% from H1225.58 Lacs in 2013-14 to H1409.74 Lacs in 2014-15, owing to increased production and an increase in power and fuel charges.
- Increase in employee costs by 15.45% from H1038.02 Lacs in 2013-14 to H1198.43 Lacs in 2014-15.

Financial expenses

Total financial expenses comprising interest and financial expenses increased 23.21% from H2691.17 Lacs in 2013-14 to H3315.69 Lacs in 2014-15. The increase was primarily on account of increase in external debt along with a rise in average interest rates. The interest cover of the Company decreased marginally from 5.18 times in 2013-14 to 4.64 times in 2014-15.

Analysis of the Balance Sheet

Sources of funds

Analysis of capital employed	(H in Lacs)			
Segment	2014-15		2013-14	
	Amount	% of total capital employed	Amount	% of total capital employed
Share capital	1268.30	2.11	1268.30	2.52
Reserves and surplus	27872.85	46.33	23387.29	46.54
Net worth	29141.15	48.44	24655.59	49.07
Loan funds	29460.77	48.97	24263.60	48.29
Deferred tax liability	1556.92	2.59	1326.66	2.64
Capital employed	60158.84	100.00	50245.85	100.00

Capital employed

The total capital employed by the Company increased 19.73% from H50245.85 Lacs as on March 31, 2014 to H60158.84 Lacs as on March 31, 2015, following an increase in reserves and surplus.

Net worth

The Company's networth as a proportion of total capital employed stood at 48.44% as on March 31, 2015.

Share capital: The Company's equity share capital remained unchanged at H1268.30 Lacs.

Reserve and surplus: Reserves and surplus increased 19.18% from H23387.29 Lacs as on March 31, 2014 to H27872.85 Lacs as on March 31, 2015 – through a ploughback of operational profit

Risk management

Risks and its effect are possible events or possibilities that have could have an impact on the Company's performance or results. IIL analyses business risks followed by a detailed mitigating approach.

The Company may not be able to capitalize on growing business opportunities

Mitigation: The Company enjoys enduring relationships with farmers across the country's major crop growing areas. With problems like less rainfall and labour issues, agriculture productivity is a major issue. The Company is present with a comprehensive product range supported by multiple manufacturing facilities. The Company's manufacturing facilities are proximate to agriculture growing regions of the country, providing quick access from factory to farm.

Volatile raw material costs could affect the bottomline

Mitigation: The Company enters into short and long term contracts to reduce the impact of price volatility. Its proximity to raw material (being close to ports) and multi-vendor support has helped reduce costs.

Quality aberrations could affect revenues

Mitigation: The Company is consistently committed to continuous quality checks. Its plants are certified across safety and environment certifications. It received quality approvals from international bodies.

Increasing competition may affect prospects

Mitigation: The Company's revenue grew by more than 12% in 2014-15, while the industry grew by 0.2 per cent. The Company increased its market share of its Navtranta brands in addition to its other brands. It's EBITDA margins grew by 205 bps from 9.51% in 2013-14 to 11.56% in 2014-15.

Obsolete technology could affect product quality

Mitigation: The Company invested in specialized imported equipment for its core products. In addition, the Company has invested in more than H200 crore in the last five years for capacity expansion, with state-

of-the-art technologies across its multiple manufacturing facilities. It is one of the few in the world to have a dedicated R&D unit for new product development. The R&D unit is equipped with modern machineries support the team for developing future products.

Inadequate liquidity could affect growth plans

Mitigation: The Company is adequately supported by cash reserves. The Company's average debt cost is less, showcasing its financial sustainability.

Internal Control System

The Company follows an adequate and systematic internal control system, which ensures a smooth operation throughout. The assets are well protected with all security arrangements. All transactions pass through specified hierarchy and a strict discipline is maintained in the recording of the same. The internal audit committee has been formulated, which takes care of audit and compliances being met. Apart from the in-house team, M/S Devesh Parekh & Co. Chartered Accountants are engaged by the Company to ensure compliance of all statutory regulations. The Enterprise Risk Management framework and Managing Director and CFO (Chief Financial Officer) certification as required under Clause 49 of the Listing Agreement with Stock Exchanges for controls testing pertaining to financial reporting, resulted in continuing improvement in internal control.

Human Resources

The Company considers its employees as its main assets. The employees are evaluated and reviewed on Key Result Areas (KRAs) to assess the skills and plan for their future growth under MDP. Training needs are identified to meet individual requirements through in-house training, on-the-job training

and outdoor training as a continuous process. Trainings are classified on the basis of requirements like individual development on soft skills, professional & technical skills and management development program. Current efforts also include building skills, attracting and retaining talent and nurturing and developing leadership potential. The Company currently has [979] member team across its facilities and offices.

Research and Development

Insecticides (India) Ltd. has been directing its focus on Research and Development for development of more technicals. Being one of the few companies engaged into formulations and technicals, it is investing into R&D to rigorous extent at present. With the new R&D unit already operational, the Company is optimistic to produce new products which would help the Company achieve new heights if success and partner the growth of the agriculture sector. The Company's QC labs are NABL accredited, which has dedicated professional scientist who carry out a wide range of chemical

reactions with an analytical support of GC, HPLC, GC Mass, AAS, UV and Infrared Spectrophotometer etc.

Environment, Safety and Health Parameters

The Company has been following a stringent policy for implementing an Environmental management System (EMS) for meeting the purpose of organization's policy and objectives regarding environment. It aims at use of processes, practices, techniques, materials, products, services or energy to avoid, reduce or control the creation, emission or discharge of any type of pollutant or waste, in order to reduce adverse environmental impacts. Occupational Health & Safety describes the Occupational Health & Safety Management System adopted by the Company, the elements of the OHSAS 18001:1999 Amendment 1:2002 standard and measures stipulated for ensuring the conformance to the Occupational Health & Safety Management System, legal & statutory requirements, continual improvement and satisfaction of interested parties (i.e. customers, suppliers, employees and public)

Corporate Social Responsibility

With the set-up of IIL foundation, we have strengthened in achieving inclusive growth for society at large. In order to achieve overall sustainability, the Company conducts several responsible activities. During the year under review, the Company started social welfare program by the name of 'Project Vidhya' in several districts of Punjab and Rajasthan. The activity involves distribution of books and study material to children empowering them towards leading a better life. Similar campaign was launched by the name of 'Kisan Jagruta Abhiyan', where the farmers of the several districts in the states of Haryana, Andhra Pradesh, Rajasthan and Punjab were educated and trained for better agricultural practices. With more than 5000 such meetings held among thousands of farmers, the campaign was acknowledged by them.

Directors' Report

DEAR MEMBERS,

Your Directors are delighted in presenting the 18th Annual Report and the Audited Accounts for the financial year ended March 31, 2015.

1. Financial Results

(H in Lacs)

Particulars	Standalone	
	Current Year ending March 31, 2015	Previous Year ending March 31, 2014
Revenue from Operations (Net) and other income	96462.68	86453.54
Depreciation	1416.82	665.55
Expenditure	88629.01	80922.83
Profit Before Tax (PBT)	6416.85	4865.15
Provision for Tax	932.47	870.88
Profit After Tax (PAT)	5484.39	3994.27
Balance brought forward from previous year	18114.26	15051.66
Profit available for Appropriations	23598.64	19045.92
Appropriations:		
Proposed final equity dividend	475.61	380.49
Tax on proposed equity dividend	96.82	64.66
Transfer to general reserve	641.69	486.52
Adjustment of pre-operative exp.	60.63	-

2. Review of Performance

During the year under review, the Net Turnover of the Company rose to H96419.15 Lacs as against H86408.16 Lacs reported last year, registering a growth of 12%. The Company has earned Net Profit H5484.39 Lacs, as against the net profit of H3994.27 Lacs reported last year, registering a growth of 37%. The improvement in performance of your Company could mainly be attributed to better capacity utilization, ongoing emphasis on productivity and efficiency, improvement in all areas of operation.

3. Extract of Annual Return

In accordance with Section 134 (3) (a) of the Companies Act, 2013, an extract of Annual Return of the Company is annexed herewith as Annexure VII to this Report.

4. Dividend

Your Directors are pleased to recommend for your consideration and approval payment of dividend @ 25% amounting to H2.50 per equity share of H10/- each for the financial year 2014-15. Total amount of dividend outgo for the financial year H572.43 Lacs (including Corporate Dividend Tax amounting to H96.82 Lacs).

The total amount of H 621.87 Lacs (including Corporate Dividend Tax) amounting to H 105.18 Lacs shall be distributed to the shareholders because the paid up share capital of the Company has increased after allotment of equity shares to QIBs on August 17, 2015.

The dividend will be paid to members whose names appear in the Register of Members as on September 14, 2015.

5. Fixed Deposits

During the financial year, the Company has not accepted any fixed deposits from the public under Section 73 and 74 of the Companies Act, 2013 along with the rules made thereunder during the year under review.

6. Transfer to Reserve

During the year, amount of H641.69 Lacs has transferred to General Reserve.

7. Pollution Control

The Company has taken various initiatives to keep the environment free from pollution. It has already installed various devices in the factories to control the pollution.

8. Subsidiary Company, Associate Company and Joint Venture Company

There is no subsidiary company (ies) of the Company during the year under review.

The Company has "OAT & IIL India Laboratories Private Limited" as its joint venture company within the meaning of Section 2(6) of the Companies Act, 2013, as on March 31, 2015. Also, the Company has "Isec Organics Limited" as its associate company.

A report on the performance and financial position of each of the subsidiaries, associates and joint venture companies as per the Companies Act, 2013 is provided as Annexure III and hence not repeated here for the sake of brevity. The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link: <http://www.insecticidesindia.com/Policy/RELATED%20PARTY%20TRANSACTION%20FINAL.pdf>

9. Directors

The Board comprises of Eight Directors. In compliance of the Companies Act, 2013 and in pursuant of Clause 49 of the Listing Agreement with Stock Exchanges, the Company had appointed, Mr. Virjesh Kumar Gupta, Mr. Navneet Goel, Mr. Gopal Chandra Agarwal, Mr. Navin Shah and Mr. Anil Kumar Singh as Independent Directors.

In accordance with the provisions of Section 149 of the Companies Act, 2013, these Directors were appointed as Independent Directors

to hold office as per their tenure of appointment decided in the last Annual General Meeting of the Company.

The Company has received declarations from all Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under revised Clause 49 of the Listing Agreement with Stock Exchanges.

Further, Mrs. Nikunj Aggarwal, retires at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. We seek your support in confirming her re-appointment as Director.

10. Number of Board Meetings

During the financial year, the Board of Directors met 8 (Eight) times, the details of which are given in the Corporate Governance Report that forms the part of Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and Listing Agreement entered with Stock Exchanges.

11. Audit Committee

Composition of Audit Committee

The composition of Audit Committee is given in the table as mentioned below:-

S. No.	Name of the Director	Designation	Total meeting held during the years	Meetings attended
1.	Mr. Gopal Chandra Agarwal	Chairman	7	7
2.	Mr. Navneet Goel	Member	7	5
3.	Mr. Anil Kumar Singh	Member	7	7

Note: Upto May 31, 2014 Mr. Navneet Goel acted as Chairman and Mr. Gopal Chandra Agarwal & Mr. Anil Kumar Singh were members of such committee.

Also, a detailed note on the Board and its committees is provided in the Report on Corporate Governance which forms the part of Annual Report. The composition of the committees and compliances, are as per the applicable provisions of the Companies Act, 2013 and Rules made thereunder and revised Clause 49 of the Listing Agreement.

12. Vigil Mechanism

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting unethical behaviour, fraud, violations, or bribery. The Company has Vigil Mechanism (Whistle Blower) Policy under which the employees are free to report violations of applicable Laws and Regulations and the Code of Conduct, the same can be accessed through the Chairman of the Audit Committee. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

13. Directors Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirms that:

- i) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the directors have prepared the annual accounts on a going concern basis;
- v) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

In terms of the requirement of Accounting Standards, Segment-wise Results are shown in the Notes to Accounts.

14. Nomination and Remuneration Policy

Formulation of policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters has been provided by the Company in its Corporate Governance Report.

15. Particulars of Loans Given, Investment Made, Guarantees Given and Securities Provided

During the year under review, the Company has not made any loan, given any guarantee or provided security in connection with the loan to any other body corporate or person. However, the Company has invested in equity shares of OAT & ILL India Laboratories Private Limited, the said company is the joint venture of your company w.e.f March 6, 2013.

16. Particulars of Contracts or Arrangements With Related Parties

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of the business and on an arm's length basis. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions, Details of such particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in the prescribed form AOC-2 as attached as an Annexure IV.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link <http://www.insecticidesindia.com/Policy/RELATED%20PARTY%20TRANSACTION%20FINAL.pdf>

17. Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report. However, the Company has set up a new formulation plant at Chopanki with effect from August 8, 2014.

18. Corporate Governance

Your Company has complied with the requirements of Clause 49 of the Listing Agreement regarding Corporate Governance.

A report on the Corporate Governance practices followed by the Company, the Auditors' Certificate on compliance of mandatory requirements thereof forms the part of this Annual Report.

19. Auditors

Statutory Auditors

The Statutory Auditors M/s Mohit Parekh & Co., Chartered Accountants having firm registration no.002067N hold office until the conclusion of the ensuing Annual General Meeting, is eligible for

re-appointment. They have furnished the certificate of their eligibility for re-appointment, if made, as required under the Companies Act, 2013 and they are not disqualified for re-appointment. Further, the Board of Directors of the Company recommend to the shareholders for their approval, re-appointment till the conclusion of next Annual General Meeting.

Cost Auditors

In terms of the requirement of Section 148 of the Companies Act, 2013, your Board of Directors has appointed M/s A.G.S. & Associates, Cost Accountants were re-appointed as Cost Auditors of the Company for conducting audit of the cost accounts maintained by the Company for the year 2015-16. Further, the Board of Directors of the Company recommend to the shareholders for their approval, remuneration to be paid to the Cost Auditors H300000.00 (exclusive of service tax & out of pocket expenses)

Secretarial Auditor

The Board has appointed M/s Akash Gupta & Associates, Company Secretaries (M No.30099) to conduct the Secretarial Audit for the financial year 2014-15. The Secretarial Audit report for the financial year ended March 31, 2015 is annexed herewith as Annexure VI to this report.

20. Auditors' Report

There are no qualifications of Auditors on the Accounts of the Company for the financial year ended March 31, 2015 requiring further comment from the Board of Directors.

There no qualifications in the Secretarial Audit Report for the financial year ended March 31, 2015 and does not require further comment from the Board of Directors.

21. Corporate Social Responsibility

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee during the financial year 2014-2015.

The CSR Committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board.

During the period under review, the Company has not contributed towards CSR activities, as the Company thought of undertaking the projects or programs of CSR on its own, therefore on February 11, 2015, the Company has incorporated 'IIL Foundation' for undertaking the CSR projects and programs. The Company shall contribute to sustainable development by its economic activities combined with the fulfillment of its social responsibilities relating to the education,

health, safety and environment aspects. The statutory disclosures with respect to the CSR Committee and policy in terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, in the form of the annual report on CSR Activities is laid down in Annexure V which forms part of this Report.

22. Insurance

The Company has taken the required insurance coverage for its assets against the possible risks like fire, flood, public liability, marine, etc.

23. Nature of Business

There is no change in the nature of business during the period under review.

24. Details of Significant & Material Orders

No significant and material order has been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and Company's operations in future, details of which needs to be disclosed in the Board's Report as Section 134 (3)(q) read with Rule 8 of Companies (Accounts) Rules, 2014.

25. Details in Respect of Adequacy of Internal Financial Controls

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

26. Disclosure of Remuneration

The information as required in accordance with Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details regarding the remuneration and other requisite details are mentioned in the Annexure II attached hereto.

No Employee, other than Mr. Hari Chand Aggarwal, Chairman cum Whole-time Director and Mr. Rajesh Aggarwal, Managing Director of the Company draw remuneration in excess of limit prescribed under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Managerial Personnel) Rules, 2014. Requisite details of remuneration paid to Mr. Hari Chand Aggarwal and Mr. Rajesh Aggarwal (From April 1, 2014 to March 31, 2015) pursuant to the said provisions is as details herein:

Name	Hari Chand Aggarwal	Rajesh Aggarwal
Designation	Chairman cum Whole-time Director	Managing Director
Nature of employment	Permanent	Permanent
Salary	H75.99 Lacs	H63.39 Lacs
Qualification	High School	B.Com & Diploma in "Marketing & Formulation of Pesticides"
Total Experience	More than 41 Years	More than 21 Years
Date of Commencement of Employment	21-10-2001	18-12-1996
Previous Employment	HIM Pulverizing Mills Limited	HIM Pulverizing Mills Limited
Percentage of equity shares held by the employee in the Company	4.85	27.82
Relationship with any director or manager of the Company	Father of Mr. Rajesh Aggarwal and Father in law of Mrs. Nikunj Aggarwal	Son of Mr. Hari Chand Aggarwal and Spouse of Mrs. Nikunj Aggarwal

No director of the Company who is receiving commission from the Company is in receipt of any remuneration or commission from any holding company or subsidiary company of the Company.

Total remuneration includes Salary, Bonus, Allowances, Company's contribution to Provident Fund, Gratuity and Other Perquisites and benefits valued as per the Income Tax Act, 1961.

27. Risk Management

The Company has formulated the Risk Management Policy through which the Company has identified various risks like, strategy risk, industry and competition risk, operation risk, liability risks, resource risk, technological risk, financial risk. The Company faces constant pressure from the evolving marketplace that impacts important issues in risk management and threatens profit margins. The Company emphasizes on those risks that threaten the achievement of business objectives of the Group over the short to medium term. Your Company has adopted the mechanism for periodic assessment to identify, analyze, and mitigation of the risk.

The appropriate risk identification method will depend on the application area (i.e. nature of activities and the hazard groups), the nature of the project, the project phase, resources available, regulatory requirements and client requirements as to objectives, desired outcome and the required level of detail.

The trend line assessment of risks, analysis of exposure and potential impact shall be carried out. Mitigation plans shall be finalized, owners

identified, and progress of mitigation actions shall be regularly and periodically monitored and reviewed.

Treatment options which are not necessarily mutually exclusive or appropriate in all circumstances shall be driven by outcomes that include:

- Avoiding the risk,
- Reducing (mitigating) the risk,
- Transferring (sharing) the risk, and
- Retaining (accepting) the risk.

28. Performance Evaluation Report

In terms of Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges, there is requirement of formal evaluation by the Board of its own performance and that of its committees and individual directors.

The evaluation of individual directors and the Board as a whole was conducted based on criteria and framework adopted by the Board. The evaluation criteria has been explained in the Nomination and Remuneration Policy adopted by the Board and forms part of this Annual Report.

29. Management Discussion And Analysis

Separate report on Management Discussion & Analysis is appended herewith.

30. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo

In terms of requirement of clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013 read with the Companies Account(s) Rules, 2014, the particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure I to this report.

31. Disclosure under the Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy ('Policy') in line with the requirements of The Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013. Your Directors state that during the year under review, no cases of sexual harassment have been reported.

32. Appreciation

The Directors wish to thank Creditors, Investors, Banks and Government Authorities for their continued support. The Directors also wish to place on record their deep sense of gratitude for the committed services of the Executives Staff and Workers of the Company.

We would also like to express sincere thanks to our Shareholders for their confidence and understanding.

For and on behalf of the Board
Insecticides (India) Limited

(Hari Chand Aggarwal)

Chairman

DIN-00577015

Place: Delhi

Dated: August 25, 2015

DETAILS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO [SECTION 134 (3)(M)]

1. Conservation of Energy

- The steps taken or impact on conservation of energy:
During the period under review, the Company has not taken any steps for conservation of energy.
- The steps taken by the Company for utilizing alternate sources of energy:
During the period under review, the Company carried out initial surveys and looked into various alternate sources of energy. The Company needs more time and will make more efforts for finding suitable alternate sources of energy for the betterment of the Company.
- The capital investment on energy conservation equipments:
During the period under review, the Company has set up a new formulation plant at E-439-440, RIICO Industrial Area, Chopanki, Bhiwadi, where the company has taken step for conservation energy.

2. Technology Absorption

- The efforts made towards technology absorption:
Technology is ever changing and employees of the Company are made aware with the latest techniques and technologies through various workshops and discussions for optimum utilization of the available resources.
- The benefits derived like product improvement, cost reduction, product development or import substitution:
Product improvement and cost reduction is always the Company's priority while we choose new equipment. At the same time your

Company does not change technology every year, but whatever equipment we add that is to meet the growing requirements and make the process cost effective.

- In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
Your Company has not imported any technology during last three years. However, the Company has spent on the research and development of various products as mentioned below:

The Expenditure incurred on Research and Development:

(H in Lacs)	
Particulars	Amount
Capital	127.63
Recurring	308.65
Total	436.28

3. Foreign Exchange Earnings and Outgo

- The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows-

(H in Lacs)	
Particulars	Amount
Foreign exchange earned	91.32
Foreign exchange used	562.26

ANNEXURE II

PURSUANT TO THE RULE 5(I) COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- a. the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2014-15;

Table no. I

(H in Lacs)

Sl. No.	Name of Director	Director's Remuneration	Employee Median Remuneration	Ratio
1	Hari Chand Aggarwal	75.99	0.17	451:1
2	Rajesh Aggarwal	63.39	0.17	376:1
3	Nikunj Aggarwal	12.81	0.17	76:1

Table no. II

(H in Lacs)

Sl. No.	Name of Director	Sitting Fee	Employee Median Remuneration	Ratio
1	Virjesh Kumar Gupta	1.80	0.17	11:1
2	Navneet Goel	1.65	0.17	10:1
3	Gopal Chandra Aggarwal	1.95	0.17	12:12
4	Navin Shah	1.30	0.17	8:1
5	Anil Kumar Singh	1.95	0.17	12:1

Notes:

- Directors at above table II are Independent Directors and received only sitting fee during the year.
 - Out of pocket expenses incurred by them for attending the meetings not taken into account.
- b. the percentage increase in remuneration of each Director; Chief Financial Officer; Chief Executive Officer; Company Secretary or Manager; if any, in the financial year 2014-15;

Sl. No.	Name of Director and KMP	Director/KMP	% increase in remuneration
1	Hari Chand Aggarwal	Chairman Cum Whole-time Director	Nil
2	Rajesh Aggarwal	Managing Director	Nil
3	Nikunj Aggarwal	Whole-time Director	Nil
4	Sandeep Aggarwal	Chief Financial Officer	13.82
5	Pankaj Gupta	Company Secretary	15.15

- c. In the financial year 2014-15, there was an increase of 10.33% in the median remuneration of employees.
- d. Total number of employees of the Company as on March 31, 2015 was 979. The Company has maintained peaceful and harmonious relations with all its employees.
- e. The explanation on the relationship between average increase in remuneration and company performance;
 The Profit before Tax for the financial year ended by 32%, whereas the average increase in remuneration was 11.39%. The average increase in median remuneration was in line with the performance of the Company.

- f. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

The Total Remuneration of KMPs increased by 4.35% from H91.27 Lacs in 2013-14 to H95.24 Lacs in 2014-15, whereas the Profit before Tax increased by 31.89% from H4865.15 Lacs in 2013-14 to H6416.85 Lacs in 2014-15.

- g. (i) The market capitalization as on March 31, 2015 over BSE was H87639.30 Lacs in comparison to H27940.57 Lacs as on March 31, 2014 and over NSE was H87201.73 Lacs in comparison to H27921.55 as on March 31, 2014.
- (ii) The Price Earnings Ratio was H16.38 as of March 31, 2015, which was an increase of 134.67%, as compared to March 31, 2014.
- h. Average percentile increase already made in the salaries of employees other than the managerial personnel in 2014-15 was 10-15% whereas the increase in managerial remuneration was 10%. This was based on the recommendations of Nomination & Remuneration Committee, based on industry benchmarks and the respective person's performance and contribution. The Company's remuneration philosophy is to ensure that it is competitive in the PD industry in which it operates, for attracting and retaining the best talent

- i. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

Name of KMP	Remuneration (H in Lacs)	Ratio of remuneration to Profit before Tax
Rajesh Aggarwal	63.39	0.0099:1
Sandeep Aggarwal	22.27	0.0035:1
Pankaj Kumar Gupta	9.58	0.0015:1

- j. The key parameters for the variable component of remuneration availed by the directors are considered by the Board, based on the recommendation of the Nomination & Remuneration Committee, as per the Remuneration Policy of the Company for Directors, KMPs and other Employees.
- k. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year NIL; and
- l. It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company.

ANNEXURE III
FORM NO.AOC-I
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part “A”: Subsidiaries _____ Not Applicable

(Information in respect of each subsidiary to be presented with amounts in H)

1. Sl. No.:
2. Name of the subsidiary
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.
5. Share capital
6. Reserves & surplus
7. Total assets
8. Total Liabilities
9. Investments
10. Turnover
11. Profit before taxation
12. Provision for taxation
13. Profit after taxation
14. Proposed Dividend
15. % of shareholding

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Isec Organics Limited (Associate Company)	OAT & IIL India Laboratories Private Limited (Joint Venture Company)
1. Latest audited Balance Sheet Date	31.03.2014*	31.03.2014*
2. Shares of Associate/Joint Ventures held by the Company on the year end		
No.	-	795000
Amount of Investment in Associates/Joint Venture	-	795.00
Extend of Holding %	-	20
3. Description of how there is significant influence	Business of Real Estate	R & D
4. Reason why the associate/joint venture is not consolidated	N.A	Yes*
5. Networth attributable to Shareholding as per latest audited Balance Sheet	899.15 Lacs	3652.76 Lacs
6. Profit / Loss for the year		
i. Considered in Consolidation	-	-
ii. Not Considered in Consolidation	-	-

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

Note:

* The financial statements for the financial for the year 2014-15 for both associate and joint venture Company are under process of audit, Hence the figures are mentioned pursuant to Audited Financial Statements as on March 31, 2014.

ANNEXURE IV
FORM NO.AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: **Not Applicable.**
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts/arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) Date(s) of approval by the Board
 - (g) Amount paid as advances, if any:
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis

a.	Name(s) of the related party and nature of relationship	Evergreen Mineral Industries (Associate Firm)	Paras Agro Industries (Associate Firm)	Vinod Metal Industries (Associate Firm)	Valve & Pneumatics (Associate Firm)	OAT & IIL India Laboratories Private Limited (Joint Venture)	ISEC Organics Limited (Associate Company)
b.	Nature of contracts/ arrangements/ transactions	Agreement	Agreement	Purchase Order(s)	Purchase Order(s)	Agreement	Agreement
c.	Duration of the contracts/ arrangements/ transactions	2 years	2 years	2years	2 years	2 years	2 years

d.	Salient terms of the contracts or arrangements or transactions including the value, if any: As per agreement & purchase order	<p>i. Party shall supply such products as may be ordered ii. Products will be confirm to CIB/ BIS specifications.</p> <p>iii. Products will be supplied with in a period of 15th days from date of purchase order.</p> <p>iv. Prices of products could not be more than prevailing market prices.</p> <p>v. The all transactions shall be done on arm length basis.</p> <p>vi. Insurance of the products will be bear by the company.</p>	<p>i. Party shall supply such products as may be ordered ii. Products will be confirm to CIB/ BIS specifications.</p> <p>iii. Products will be supplied with in a period of 15th days from date of purchase order.</p> <p>iv. Prices of products could not be more than prevailing market prices.</p> <p>v. The all transactions shall be done on arm length basis.</p> <p>vi. Insurance of the products will be bear by the company.</p>	<p>i. Party shall supply the product with in 15 days from issue of P.O.</p> <p>ii. Transportation and insurance expenses shall be bear by the company</p> <p>iii. The payment of products will be made within 90 days from date of delivery.</p> <p>iv. All transactions will be made on arm length basis.</p>	<p>i. Party shall supply the product with in 15 days from issue of P.O.</p> <p>ii. Transportation and insurance expenses shall be bear by the company</p> <p>iii. The payment of products will be made within 90 days from date of delivery.</p> <p>iv. All transactions will be made on arm length basis.</p>	<p>i. Annual service fee for services of R&D shall be carried out by the JV company in the proportion in ownership.</p> <p>ii. Service tax on annual service fee shall be born by the company.</p> <p>lii, Payment of fee shall be made within first quarter of fiscal year.</p> <p>iv. The agreement may be modified only by written agreement of the parties.</p> <p>v. Dispute shall be finally resolved by arbitrator with the provision of Arbitration Rules of the Singapore International Arbitration Centre.</p> <p>vi. Transactions under the agreement shall be made on arm length basis.</p>	<p>i. All takes shall be beared by the company.</p> <p>ii. The company shall not used the premises for any illegal purposes and not any hazardous or combustible articles</p> <p>iii. Municipal tax shall be pay by the Isec Organics Ltd.</p> <p>iv. The work of renovation shall be made by the company.</p> <p>v. Rent shall be pay on or before the 15 days next calendar month.</p>
e.	Date(s) of approval by the Board, if any	30/10/2014	30/10/2014	30/10/2014	30/10/2014	30/10/2014	30/10/2014
f.	Amount paid as advances, if any	Nil	Nil	Nil	Nil	Nil	Nil

ANNEXURE V

Annual Report on Corporate Social Responsibility (CSR) Activities

I. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Pursuant to the provisions of Section 135 of the Act, the Board of Directors shall constitute the Corporate Social Responsibility (CSR) Committee. The Members of CSR shall be appointed by the Board of Directors of the Company. The mechanism of the CSR Policy shall be through the CSR Committee. The powers of the CSR Committee are as follows:

- Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval;
- Recommend CSR activities as stated under Schedule VII of the Act;
- Recommend the CSR Budget;
- Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules;
- Submit the Reports to the Board in respect of the CSR activities undertaken by the Company;
- Monitor CSR Policy from time to time;
- Authorize executives of the Company to attend the CSR Committee Meetings.

The Company proposes to implement its CSR activities in various sectors stated hereunder:

- Education
- Green Initiatives
- Facilities for Senior Citizens
- Rural Development
- Vocational Skills
- Entrepreneurship Skills
- Employment Opportunities
- Medical Aid
- Healthcare

- Old Aged Homes
- Women Hostels
- Special Employment Opportunities for Women
- Environment Protection
- Animal Welfare
- Conservation of Natural Resources
- Protection of National Heritage
- Promoting and Development of Art and Culture
- Public Libraries
- Promotion and Development of Traditional Arts and Handicrafts
- Measures for Armed Forced Veterans, War widows and their dependents
- Promotion and Development of Rural Sports and National Game
- Development of Slum Area

The Company has formulated the CSR policy pursuant to Section 135 of the Companies Act and Schedule VII and the weblink of the policy is <http://www.insecticidesindia.com/CSR.html>.

2. Composition of the CSR Committee:

S. No	Name of the members	Designation
1.	Mr. Hari Chand Aggarwal	Chairman
2.	Mr. Rajesh Aggarwal	Member
3.	Mr. Virjesh Kumar Gupta	Member
4.	Mr. Ashwani Aggarwal	Member

During the year, two meetings i.e. on February, 11 2015 and March 25, 2015 CSR Committee were held.

3. Average net profit of the Company for last three financial years:

Average net profit: H4599.95 Lacs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): H92.00 Lacs

5. Details of CSR spend for the financial year:

- a) Total amount spent for the financial year: Nil
- b) Amount unspent, if any: H92.00 Lacs
- c) Manner in which the amount spent during the financial year is detailed below: Not Applicable, being the Company has not spent any amount during the year

S. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or programs	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency*

- 6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: During the period under review, the Company has not spend any amount on CSR projects or programs as Company has incorporated 'IIL Foundation' on February, 11 2015 and desires to spend the CSR contribution through such foundation on various programs and projects pursuant to CSR policy and Schedule VII of the Companies Act, 2013.
- 7. We hereby confirm that the implementation and monitoring of CSR Policy, would be in compliance with CSR objectives and Policy of the Company.

Managing Director

Chairman CSR Committee

ANNEXURE VI

Secretarial Audit Report

For the financial year ended March 31, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
 The Members,
Insecticides (India) Limited
 Delhi

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Insecticides (India) Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share Based Employee Benefits) Regulations, 2014 w.e.f 28th October 2014; Not applicable as company has not come with ESOP or ESPS during the financial year ended on March 31, 2015;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable as company has no listed debt securities during the financial year ended on March 31, 2015;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable there was no delisting of equity shares during the financial year ended on March 31, 2015 and;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable as no security has been brought back during the financial year ended on March 31, 2015.
- (vi) As informed to us by the Company there are some laws, as mentioned below, which is being compiled by the Company as industry specific laws under the head "other laws as specifically applicable to company" are as follows:
 - (1) The Insecticides Act, 1968 & the Insecticides Rules, 1971
 - (2) The Insecticides (Price, Stock, Display and Submission of Reports) Order, 1986
 - (3) The Fertilizer (Control) Order 1985

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under the Companies Act, 2013; Not applicable during the financial year ended on March 31, 2015.
- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except one board meeting held on September 19, 2014, where the consent of Independent Directors of the company had been received for shorter notice. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions of the Board recorded as passed with and no dissent of any director has been recorded as a part of minutes in the board minutes for the financial year ended on March 31, 2015.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the

Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

- a) The Company has issued bonus shares to its existing shareholders, in proportion of 1 bonus equity share of H10 each for every 2 fully paid up equity share of H10/- each in compliance of provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. The allotment of bonus shares have been made after expiry of two months from the date of the meeting of its board of directors, however SEBI has condoned the delay on the application of company vide its letter dated March 26, 2015.
- b) Further, the Company has also received the consent of shareholders of the Company through postal ballot during the financial year ending March 31, 2015 to raise the funds up to H200 Crore including through a Qualified Institutions Placement / GDR / ADR / Preferential Allotment or any other mode that the Board may decide for the purposes meeting the requirement of funds to implement the business plans of the Company under the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

Signature:

Name of Firm: **Akash Gupta & Associates**

Place : New Delhi

Date: August 25, 2015

Membership No.:30099

C P No.: I I038

ANNEXURE VII

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details

- | | |
|--|---|
| i. CIN | : L65991DL1996PLC083909 |
| ii. Registration Date | : December 18, 1996 |
| iii. Name of the Company | : Insecticides (India) Limited |
| iv. Category / Sub-Category of the Company | : Public Company/Limited by Shares |
| v. Address of the Registered office and contact details | : 401-402, Lusa Tower, Azadpur Commercial Complex, Delhi – 110033,
Tele Fax No. (011) 27679700-04
Email – investor@insecticidesindia.com |
| vi. Whether listed company | : Yes |
| vii. Name, Address and Contact details of Registrar and Transfer Agent | : Alankit Assignments Limited
Alankit House, 1E/13, Jhandewalan Extn., Delhi - 110055
Tel. No. (011) 4254 1234
Fax No. (011) 4254 1967,
Email – rta@alankit.com |

II. Principal Business Activities of the Company

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC 2008 Code of the Product/ service	% to total turnover of the company
I.	Agro Chemicals	Group: 202 Class: 2021	100.00

Particulars of holding, subsidiary and associate companies –

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	OAT & IIL India Laboratories Private Limited	U73100DL2013FTC249117	Joint Venture	20%	Section 2(6) of the Companies Act, 2013
2	Isec Organics Limited	U24239DL2004PLC124339	Associate	NIL	Section 2(6) of the Companies Act, 2013

III. Share Holding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	9303000	-	9303000	73.35	9303000	-	9303000	73.35	Nil
b) Central Govt	-	-	-	-	-	-	-	-	Nil
c) State Govt (s)	-	-	-	-	-	-	-	-	Nil
d) Bodies Corp.	169700	-	169700	1.34	169700	-	169700	1.34	Nil
e) Banks / FI	-	-	-	-	-	-	-	-	Nil
Sub-total (A) (1):-	9472700	-	9472700	74.69	9472700	-	9472700	74.69	Nil
(2) Foreign									
a) NRIs -									
Individuals	-	-	-	-	-	-	-	-	Nil
b) Other –									
Individuals	-	-	-	-	-	-	-	-	Nil
c) Bodies Corp.	-	-	-	-	-	-	-	-	Nil
d) Banks / FI	-	-	-	-	-	-	-	-	Nil
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	Nil
Total shareholding of Promoter (A) = (A)(1)+(A) (2)	9472700	-	9472700	74.69	9472700	-	9472700	74.69	Nil
B. Public Shareholding									
I. Institutions									
a) Mutual Funds	-	-	-	-	165458	-	165458	1.30	1.30
b) Banks / FI	675460	-	675460	5.33	676225	-	676225	5.33	-
c) Central Govt	-	-	-	-	-	-	-	-	Nil
d) State Govt(s)	-	-	-	-	-	-	-	-	Nil
e) Venture Capital Funds	-	-	-	-	-	-	-	-	Nil
f) Insurance Companies	-	-	-	-	-	-	-	-	Nil
g) FIs	152490	-	152490	1.20	523294	-	523294	4.13	2.93
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	Nil
Venture Capital Funds	-	-	-	-	-	-	-	-	Nil
Sub-total (B)(I)	827950	-	827950	6.53	1364977	-	1364977	10.76	4.23

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	1014069	-	1014069	8.00	470919	-	470919	3.71	4.29
i) Indian	-	-	-	-	-	-	-	-	Nil
ii) Overseas	-	-	-	-	-	-	-	-	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto H1 lakh	940653	494	941147	7.42	1069647	259	1069906	8.44	1.02
ii) Individual shareholders holding nominal share capital in excess of H1 lakh	385966	-	385966	3.04	129285	-	129285	1.02	2.02
Sub-total (B)(2):- Total Public	2381822	494	2382316	18.78	1845030	259	1845289	14.55	4.23
Shareholding (B)=(B)(1)+(B)(2)	3209772	494	3210266	25.31	3210007	259	3210266	25.31	Nil
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	Nil
Grand Total (A+B+C)	12682472	494	12682966	100.00	12682707	259	12682966	100.00	Nil

ii. Shareholding of Promoters

Sl No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1	Hari Chand Aggarwal	615600	-	615600	4.85	615600	-	615600	4.85	Nil
2	Hari Chand Aggarwal(HUF)	996000	-	996000	7.85	996000	-	996000	7.85	Nil
3	Kritika Aggarwal	75000	-	75000	0.59	75000	-	75000	0.59	Nil
4	Nikunj Aggarwal	750000	-	750000	5.91	750000	-	750000	5.91	Nil
5	Pushpa Aggarwal	1434600	-	1434600	11.31	1434600	-	1434600	11.31	Nil
6	Rajesh Aggarwal	3528600	-	3528600	27.82	3528600	-	3528600	27.82	Nil
7	Rajesh Aggarwal(HUF)	1302000	-	1302000	10.27	1302000	-	1302000	10.27	Nil
8	Sanskar Aggarwal	601200	-	601200	4.74	601200	-	601200	4.74	Nil
9	ISEC Organics Ltd.	169700	-	169700	1.34	169700	-	169700	1.34	Nil
	Total	9472700	-	9472700	74.69	9472700	-	9472700	74.69	Nil

iii. Change in Promoters' Shareholding (please specify, if there is no change): There is no change in Promoters Shareholding during the Year

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	9472700	74.69		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	9472700	74.69	-	

iv. Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
1.	Life Insurance Corporation of India	675000	5.32	-	-
2.	Zealous Financial Services Pvt. Ltd.	272916	2.15	-	-
3.	Vinod Infotech Pvt. Ltd.	117351	0.93	-	-
4.	Fidelity Northstar Fund	100000	0.79	-	-
5.	Kinetic Capital Services Ltd.	65000	0.51	-	-
6.	SMC Global Securities Ltd.	62326	0.49	-	-
7.	Competent Finman Pvt. Ltd.	61205	0.48	-	-
8.	Fiducian India Fund	52490	0.41	-	-
9.	Om Prakash Aggarwal	50520	0.40	-	-
10.	Dhampur Alco-cha Ltd.	46500	0.37	-	-
	Total	1503308	11.85	-	-
1.	Life Insurance Corporation of India	-	-	675000	5.32
2.	Fidelity Northstar Fund	-	-	375000	2.96
3.	HDFC Small and Mid Fund	-	-	165458	1.31
4.	SPA Securities Ltd.	-	-	93315	0.74
5.	Vec AifVec Strategic Advantage Scheme	-	-	78563	0.62
6.	Ishaan Metals Pvt. Ltd.	-	-	73439	0.58
7.	Fiducian India Fund	-	-	58340	0.46
8.	Fidelity Funds	-	-	56408	0.45
9.	Vivek Bhimsaria	-	-	40000	0.32
10.	Dolly Khanna	-	-	28574	0.23
	Total	-	-	1644097	12.99

v. Shareholding of Directors and Key Managerial Personnel:

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Hari Chand Aggarwal				
1.	At the beginning of the year	615600	4.85	-	-
	At the end of the Year	615600	4.85	-	-
2.	Rajesh Aggarwal				
	At the beginning of the year	3528600	27.82	-	-
	At the end of the Year	3528600	27.82	-	-
3.	Nikunj Aggarwal				
	At the beginning of the year	750000	5.91	-	-
	At the end of the Year	750000	5.91	-	-
4.	G. C. Agarwal				
	At the beginning of the year	1750	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	September 9, 2014 [900 shares (Sold)]	-	-	-
	At the End of the year	850	-	-	-

IV. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(H in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	24263.60	-	-	24263.60
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	24263.60	-	-	24263.60
Change in Indebtedness during the financial year				
• Addition	5197.17	155.45	-	5352.62
• Reduction	-	-	-	-
Net Change	5197.17	155.45	-	5352.62
Indebtedness at the end of the financial year	29460.77	-	-	29460.77
i) Principal Amount	-	150.00	-	150.00
ii) Interest due but not paid	-	5.45	-	5.45
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	29460.77	155.45	-	29616.22

V. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(H in Lacs)

Sl No.	Particulars of Remuneration	Name of Directors			Total Amount
		Hari Chand Aggarwal	Rajesh Aggarwal	Nikunj Aggarwal	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	72.00	60.00	12.00	144.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.99	3.99	0.81	8.20
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	75.99	63.39	12.81	152.20
	Total Managerial Remuneration	75.99	63.39	12.81	152.20
	Overall Ceiling as per the Act	659.20	659.20	659.20	659.20

B. Remuneration/ Sitting fee to other directors:

(H in Lacs)

Sl No.	Particulars of Remuneration	Name of Directors					Total Amount
		Virjesh Kumar Gupta	Navneet Goel	Gopal Chandra Agarwal	Navin Shah	Anil Kumar Singh	
3	Independent Directors • Fee for attending board / committee • meetings • Commission • Others, please specify	1.80	1.65	1.95	1.30	1.95	8.65
	Total (1)	1.80	1.65	1.95	1.30	1.95	8.65
4	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	1.80	1.65	1.95	1.30	1.95	8.65
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act	659.20	659.20	659.20	659.20	659.20	659.20

C. Remuneration To Key Managerial Personnel other than MD/Manager/WTD

(H in Lacs)

Sl No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	9.58	22.27	31.85
	(b) Value of perquisites under Section 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A)	9.58	22.27	31.85

VI. Penalties / Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty			N.A		
Punishment					
Compounding					
B. Directors					
Penalty			N.A		
Punishment					
Compounding					
C. Other Officers in Default					
Penalty			N.A		
Punishment					
Compounding					

Report on Corporate Governance

Corporate Governance reporting is a real opportunity to build confidence of stakeholder's. It is the application of best management practices, compliance of law and adherence to ethical standard to achieve the Company's objective of enhancing shareholders' value and discharge of social responsibility. The Corporate Governance structure in the Company assigns responsibilities and entrusts authority among different participants in the Organization viz., the Board of Directors, the Senior Management, Employees etc. The Company adopts and adheres to the best recognized Corporate Governance practices and continuously strives to better them. The details of the Corporate Governance compliance by the Company as per the amended Clause 49 of the Listing Agreement w.e.f. October 1, 2014 with Stock Exchanges are as under:

I. Company's Philosophy on Code of Governance

Insecticides (India) Limited ('IIL' or 'the Company') defines Corporate Governance as a process directing the affairs of the Company with integrity, transparency and fairness, so as to optimize its performance and maximize the long term shareholder value in legal and ethical manner, ensuring justice, courtesy, and dignity in all transactions of the Company. Your Company is committed to good Corporate Governance in all its activities and processes.

Your Company consider stakeholders as partners in the success and remain committed to maximizing stakeholder value. Good Corporate Governance leads to long term stakeholder value.

Your Company is committed to the adoption of and adherence to the best Corporate Governance practices at all times and continuously benchmarks itself with the best standards of Corporate Governance, not only in form but also in spirit. Good Governance practices stem from the dynamic culture and positive mindset of the organization.

II. Board of Directors

A. Board Composition

The Company maintains the optimum combination of Executive and Independent Directors having rich experience in related sectors. The Board of Directors always endeavour to create an environment of fairness, equity and transparency in transactions with the underlying objective of securing long term stakeholder value, while, at the same time, respecting the right of all Stakeholders.

As on March 31, 2015, the Board of the Company comprises of 8 (Eight) Directors, of which 3 (Three) are Executive Directors and rest 5 (Five) are Independent Directors. The composition of the Board is in conformity with Companies Act, 2013 and Clause 49 of the Listing Agreement entered with Stock Exchanges.

There is no nominee director, appointed by any Financial Institution/ Bank on the Board. Independent Directors did not have any material pecuniary relationship or transactions with the Company during the year 2014-15, which may affect their judgments in any manner.

B. Number of Board Meetings held with Dates

During the year, 8 (Eight) Board Meetings were held, with a maximum gap of 120 days between two meeting, as against the minimum requirement of 4 (Four) Meetings. The details of Board Meetings are given below:

S. No.	Date
1	May 28, 2014 (Two)
2	July 11, 2014
3	August 14, 2014
4	September 19, 2014
5	October 30, 2014
6	January 21, 2015
7	February 11, 2015

C. Attendance of Directors at Board meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairmanships / Memberships of Committees of each Director in various companies:

Name of the Director	Designation	Attendance at Meetings during 2014-15		No. of Other Directorship(s)*	No. of Membership(s) / Chairmanship(s) of Board Committees in other Companies**
		Board Meetings AGM	Last		
Mr. Hari Chand Aggarwal	Chairman cum Whole Time Director	8	Yes	1	Nil
Mr. Rajesh Aggarwal	Managing Director	8	Yes	2	Nil
Mrs. Nikunj Aggarwal	Whole time Director	8	Yes	Nil	Nil
Mr. Gopal Chandra Agarwal	Independent Director	8	Yes	1	Nil
Mr. Navneet Goel	Independent Director	6	Yes	Nil	Nil
Mr. Navin Shah	Independent Director	6	Yes	1	Nil
Mr. Virjesh Kumar Gupta	Independent Director	8	Yes	Nil	Nil
Mr. Anil Kumar Singh	Independent Director	8	Yes	Nil	Nil

* The Directorships, held by Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign Companies, Companies registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.

- ** 1. In accordance with Clause 49 of the Listing Agreement, Memberships/Chairmanships of only Audit Committees and Shareholders'/ Investors' Grievance Committees in all Public Limited Companies (excluding IIL) have been considered.
2. None of the Directors on the Board are Members of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2015 have been made by the Directors as per Clause 49 (II) (D) of the Listing Agreement.

D. Independent Director's Composition

(i). Composition

The Board of the Company comprises of Five Independent Directors namely:-

- Gopal Chandra Agarwal
- Navneet Goel
- Navin Shah
- Virjesh Kumar Gupta
- Anil Kumar Singh

(ii) Declaration of Independent Director

The Company has received declarations of independence as prescribed under Section 149(6) & (7) of the Companies Act, 2013 from Independent Directors. All requisite declarations have been placed before the Board.

E. Familiarisation Programme for Independent Director

The Familiarization Programme for Independent Directors aims to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of industry, business model of the Company etc. The Board of Directors has complete access to the information

within the Company. The Company is regularly updating with presentations on various related matters, where Directors get an opportunity to interact with Senior Management. Presentations, inter alia, cover the Company's strategy, business model, operations, markets, organization structure, Independent Directors have the freedom to interact with the Company's management.

The details of programme for familiarization of Independent Directors with the company are placed at company's website at the product offerings, finance, risk management framework, quarterly and annual results, human resources, technology, quality and such other areas as may arise from time to time. With such presentation the Independent Directors are updated with the Company and its environment

<http://www.insecticidesindia.com/Familiarization/Familiarization%20Programme%20for%20Independent%20Directors%20Draft%20website.pdf>

F. Independent Directors' Compensation and Disclosures

All sitting fees paid to Independent, shall be fixed by the Board of Directors and as reviewed by the Nomination and Remuneration Committee in pursuance of the Nomination and Remuneration Policy.

The Independent Directors are paid sitting fee as per reviewed by the Nomination and Remuneration Committee and fixed by the Board of the Company and within the limits prescribed under the provisions of the Companies Act, 2013 along-with the rules made there under. The Independent Directors did not have any material pecuniary relationship or transactions with the Company except the payment of sitting fees to them during the year 2014-15. No stock options were granted to Independent Directors during the year under review.

Independent Directors are not serving as Independent Directors in more than Seven Listed Companies.

Table No. I

S. No.	Name of the Director	Sitting Fee (Rupees in Lacs)	No. of Shares held
1.	Mr. Gopal Chandra Agarwal	1.95	850
2.	Mr. Navneet Goel	1.65	Nil
3.	Mr. Navin Shah	1.30	Nil
4.	Mr. Virjesh Kumar Gupta	1.80	Nil
5.	Mr. Anil Kumar Singh	1.95	Nil

H. Compliance

The Company Secretary, while preparing the agenda, notes on agenda,

minutes, etc. of the meeting(s), is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 2013 read with the rules issued thereunder:

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as well as taken by the Company to rectify the instances of non-compliance, if any.

I. Code of Conduct

The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copies of Code of Conduct as applicable to the Executive Directors (including Senior Management of the Company) and Independent have been sent to all the Directors and Senior Management Personnel. The Code of Conduct is available on the Company's website www.insecticidesindia.com and copy of the Code of Conduct can be inspected at the registered office of the Company during the business hours.

All the members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code of Conduct as applicable to them during the year ended on March 31, 2015. The Annual Report of the Company contains declaration duly signed by the Managing Director.

J. Relationship among the Directors

S. No.	Name of the Director	Relationship with other Disclosures
1	Mr. Hari Chand Aggarwal	Father of Mr. Rajesh Aggarwal and father-in law of Mrs. Nikunj Aggarwal
2	Mr. Rajesh Aggarwal	Son of Mr. Rajesh Aggarwal and Husband of Mrs. Nikunj Aggarwal
3	Mrs. Nikunj Aggarwal	Daughter in law of Mr. Hari Chand Aggarwal and Spouse of Mr. Rajesh Aggarwal

III. Audit Committee

A. Composition, its Meetings and Attendance

- During the year, the Chairmanship of the Audit Committee got changed, with effect from June 1, 2014, the current composition of Audit Committee constitutes Mr. Gopal Chandra Agarwal (Chairman), Mr. Navneet Goel and Mr. Anil Kumar Singh as Members. Till May 31, 2014, the Committee comprises of Mr. Navneet Goel (Chairman), Mr. Gopal Chandra Agarwal and Mr. Anil Kumar Singh as Members.
- During the year, 7 (Seven) Audit Committee Meetings were held

as on May 28, 2014 (two), August 14, 2014, October 30, 2014, January 21, 2015, February 11, 2015 and March 18, 2015. The number of meetings held and number of meetings attended by the Members during the year are given below:

Name of the Director	Designation	Number of Meetings held	Number of Meetings attended
Mr. Gopal Chandra Agarwal	Chairman	7	7
Mr. Navneet Goel	Member	7	5
Mr. Anil Kumar Singh	Member	7	7

- Mr. Pankaj Gupta, Company Secretary of the Company acted as the Secretary to the Committee.

B. Terms of Reference

The Committee has Audit Committee Charter. The terms of reference of the Audit Committee include inter-alia:

- Oversight of the Company's financial reporting process and the disclosure of its financial information;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing with the management, the annual financial statements and auditor's report thereon.
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Approval of the related party transactions as per policy of the Company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Scrutiny of inter-corporate loans and investments.
- Evaluation of internal financial controls and risk management systems.

- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal observations by the internal auditors into matters where there is irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To review the functioning of the Vigil mechanism.
- Management discussion and analysis of financial condition and results of operations.

IV. Nomination and Remuneration Committee

A. Composition, its Meetings and Attendance

- During the year, the Chairmanship of the Nomination and Remuneration Committee got changed, with effect from June 1, 2014, the current composition of Nomination and Remuneration Committee constitutes Mr. Gopal Chandra Agarwal (Chairman), Mr. Virjesh Kumar Gupta and Mr. Navin Shah as Members. Till May 31, 2014, the Committee comprises of Mr. Virjesh Kumar Gupta (Chairman), Mr. Gopal Chandra Agarwal and Mr. Navin Shah, as Member.
- During the year, 4 (Four) Nomination and Remuneration Committee Meetings were held as on May 28, 2014, August 14, 2014, January 21, 2015 and February 11, 2015. The number of meetings held and number of meetings attended by the members during the year are given below:

Name of the Director	Designation	Number of Meetings held	Number of Meetings attended
Mr. Gopal Chandra Agarwal	Chairman	4	4
Mr. Virjesh Kumar Gupta	Member	4	4
Mr. Navin Shah	Member	4	3

- Mr. Pankaj Gupta, Company Secretary of the Company acted as the Secretary to the Committee.

B. Terms of Reference

The Terms of reference of Nomination and Remuneration Committee include:

- a) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every Directors' performance.
- b) Formulation of the criteria for determining qualifications, positive attributes and independence of the Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- c) Determine/ review on behalf of Board of Directors of the Company the compensation package, service agreements and other employment conditions for Managing/Whole Time Director(s).
- d) Determine on behalf of the Board of Directors of the Company the quantum of annual increments/incentives on the basis of performance of the Key Managerial Personnel.
- e) Formulate, amend and administer stock options plans and grant stock options to Managing / Whole Time Director(s) and employees of the Company.
- f) Delegate any of its power/ function as the Committee deems appropriate to Senior Management of the Company.
- g) Consider other matters, as from time to time be referred to it by the Board.

C. Nomination and Remuneration & Board Diversity Policy

The Nomination and Remuneration Committee, pursuant to Section 178 of the Companies Act 2013 and Clause 49 of the Listing Agreement entered with Stock Exchanges and on recommendation from the Board, has formulated a Nomination & Remuneration & Board Diversity Policy relating to the remuneration for the directors, key managerial personnel and other employees which is as follows:-

Legal Framework

In an endeavour to make the hiring of directors, KMP & other senior official more transparent, the Companies Act, 2013 ('Act') requires the Company to have the Nomination & Remuneration Policy for inter-alia, setting up the criteria of Nomination of Directors, Key Managerial Personnel & Senior Management and Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees. The constitution of Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the rules there under and Clause 49 of the Listing Agreement.

Definitions

For the purpose of this Policy:

- 'Act' shall mean the Companies Act, 2013;
- 'Board' shall mean the Board of Directors of Insecticides (India) Limited;
- 'Committee' shall mean the Nomination and Remuneration Committee of the Company, constituted and re-constituted by the Board from time to time;
- 'Company' shall mean Insecticides (India) Limited;
- 'Directors' shall mean the directors of the Company;
- 'Independent Director' shall mean a director referred to in Section 149 (6) of the Companies Act, 2013;
- 'Key Managerial Personnel (KMP)' shall mean the following:
 - (i) Executive Chairman and / or Managing Director (MD) and/or Manager
 - (ii) Whole-time Director (WTD);
 - (iii) Chief Financial Officer (CFO);
 - (iv) Company Secretary (CS);
 - (v) Such other officer as may be prescribed.
- 'Senior Management' shall mean personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

Objective & Purpose

The objective and purpose of this Policy are as follows:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine remuneration of Directors, Key Managerial Personnel and Other Employees.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies in the agro chemicals industry.
- To provide them reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Scope of the Policy

The policy shall be applicable to the following in the Company:

- Directors
- Key Managerial Personnel (KMP)
- Senior Management
- Other employees of the Company

Constitution

- The Board shall determine the membership of the Committee.
- The Committee will comprise at least three members of non-executive directors, a majority of whom shall be independent directors.
- One of the independent non-executive directors shall be designated by the Board to serve as the Committee's Chairman.

- The present composition of the Committee is:

S. No.	Name	Designation	Profile
1	Gopal Chandra Agarwal	Chairman	Mr. Gopal Chandra Aggarwal, aged 55 years, is a Chartered Accountant by qualification. Presently, he is a Practicing Chartered Accountant and currently based in Delhi. He is a person of repute in his community and has the vast knowledge of Finance Sector and he has more than 30 years of experience.
2	Virjesh Kumar Gupta	Member	Mr. Virjesh Kumar Gupta, aged 65 years, belongs to a business family of Delhi. After a graduate from Sri Ram College of Commerce (Delhi University), he has highly experienced professional with in depth understanding and hands on experience in diverse business field for Over 35 years. He has specialized in general management covering almost all aspects of day to day business activities. He is currently associated with various Educational and Charitable Societies.
3	Navin Shah	Member	Mr. Navin Shah, aged 70 years, belongs to a business family of Delhi. He started his business career in plastic industries. Mr. Navin Shah has more than 40 years experience in manufacturing in PVC compound.

Nominate

1. Appointment criteria and qualifications

- 1.1 Letter of appointment shall be issued based on the recommendations of the Committee on the basis of the guidelines for the same under the Companies Act, 2013 or the Company's Internal policy.
- 1.2 The Committee shall identify and ascertain the integrity, qualification, expertise and experience for appointment to the position of Directors, KMPs & Senior Management.
- 1.3 A potential candidate should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee shall review qualifications, expertise and experience, as well as the ethical and moral qualities possessed by such person, commensurate to the requirement for the position.
- 1.4 The Committee shall determine the suitability of appointment of a person to the Board of Directors of the Company by ascertaining the 'fit and proper criteria' of the candidate. The candidate shall, at the time of appointment, as well as at the time of renewal of directorship, fill in such form as approved by the

Committee to enable the Committee to determine the 'Fit and Proper Criteria'. The indicative form to be filled out is placed as Annexure I to this Policy.

- 1.5 The Company shall not appoint or continue the employment of any person as whole time director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- 1.6 The Committee shall ensure that there is an appropriate induction & training programme in place for new directors, members of senior management, and KMPs;
- 1.7 The Committee shall making recommendations to the Board concerning any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provision of the law and their service contract.

1.8 The Committee shall recommend any necessary changes to the Board.

2. Term / Tenure

2.1 Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Chairman & Managing Director; Executive Chairman, Managing Director or Executive Director for a term not exceeding three years at a time.

No re-appointment shall be made earlier than one year before the expiry of term of the Director appointed.

2.2 Independent Director

An Independent Director shall hold office for a term up to 5 (Five) years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for re- appointment in the Company as Independent Director after the expiry of 3 (Three) years from the date of cessation as such in the Company. The Committee shall take into consideration all the applicable provisions of the Companies Act, 2013 and the relevant rules, as existing or as may be amended from time to time.

3. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013 and rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a director; KMP or senior management personnel or functional heads, subject to the provisions and compliance of the Act, rules and regulations.

4. Retirement

The Director; KMP, Senior Management & functional heads shall retire as per the applicable provisions of the Companies Act, 2013 along with the rules made there under and the prevailing policy of the Company. The Board will have the discretion to retain the Directors, KMPs & Senior Managements even after attaining the retirement age, for the benefit of the Company.

5. Diversity on the Board of the Company

The Company aims to enhance the effectiveness of the Board by diversifying it and obtain the benefit out of it by better and improved decision making. In order to ensure that the Company's

boardroom has appropriate balance of skills, experience and diversity of perspectives that are imperative for the execution of its business strategy, the Company shall consider a number of factors, including but not limited to skills, industry experience, background, race and gender.

The Policy shall confirm with the following two principles for achieving diversity on its Board:

- Decisions pertaining to recruitment, promotion and remuneration of the directors will be based on their performance and competence; and
- For embracing diversity and being inclusive, best practices to ensure fairness and equality shall be adopted and there shall be zero tolerance for unlawful discrimination and harassment of any sort whatsoever.

In order to ensure a balanced composition of executive, non-executive and independent directors on the Board, the Company shall consider candidates from a wide variety of backgrounds, without discrimination based on the following factors:

- *Gender* - The Company shall not discriminate on the basis of gender in the matter of appointment of director on the Board. The Company encourages the appointment of women at senior executive levels to achieve a balanced representation on the Board.
- *Age* - Subject to the applicable provisions of Companies Act, 2013, age shall be no bar for appointment of an individual as director on the Board of the Company.
- *Nationality and ethnicity* - The Company shall promote having a boardroom comprising of people from different ethnic backgrounds so that the directors may efficiently contribute their thorough knowledge, sources and understanding for the benefit of Company's business.
- *Physical disability* - The Company shall not discriminate on the basis of any immaterial physical disability of a candidate for appointment on Company's Board, if he/she is able to efficiently discharge the assigned duties.
- *Educational qualification* - The proposed candidate shall possess desired team building traits that effectively contribute to his/her position in the Company. The Directors of the Company shall have a mix of finance, legal and management background, that taken together, provide the Company with considerable experience in a range of activities including varied industries, education, government, banking, and investment.

6. Remuneration

6.1 In discharging its responsibilities, the Committee shall have regard to the following Policy objectives:

- To ensure the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders;
- To attract and retain competent executives;
- To plan short and long-term incentives to retain talent;
- To ensure that any severance benefits are justified.

6.2 The remuneration/ compensation/ commission etc. to the whole-time director; KMP and senior management & other employees will be determined by the Committee and recommended to the Board for approval.

6.3 The remuneration to be paid to the MD and/or whole-time director shall be in accordance with the percentage/ slabs/ conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013 and the rules made there under.

6.4 Increments to the existing remuneration/compensation structure of the Senior Management excluding the Board of Directors comprising of members of Management one level below the Executive Director; including the Functional Heads will be decided by the Chairman & Managing Director.

6.5 Remuneration to Whole-time/ Managing Director; KMP, senior management:

6.5.1 Fixed pay

The MD and/or whole-time director / KMP and senior management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee and the shareholders wherever applicable. The breakup of the pay scale and quantum of perquisites including, employer's contribution towards provident fund, pension scheme, medical expenses, club fees and other perquisites shall be decided and approved by the Board on the recommendation of the Committee.

6.5.2 Minimum Remuneration

If in any financial year, the Company has no profits or its profits are inadequate, it shall pay remuneration to its MD and/or Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if the Company is not able to comply with such provisions, previous approval of the Central Government shall be required to be obtained.

6.6 Remuneration to Non-executive / Independent Director:

6.6.1 **Remuneration:** The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and with the provisions of Companies Act, 2013 along with the rules made there under.

6.6.2 **Sitting Fees:** The Non- Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the limits prescribed under Companies Act 2013.

Minutes of Committee Meeting

Proceedings of all meetings must be recorded as minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

Disclosure of this Policy

The policy shall be disclosed in the Annual Report of the Company, as required under Companies Act, 2013, Rules made there under and the Listing Agreement, as amended from time to time and as may be required under any other law for the time being in force.

Review

The Committee as and when required shall assess the adequacy of this Policy and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.

Annexure-I- Criteria for determination of the 'Fit and Proper Criteria'.

Name of Company: Insecticides (India) Limited

Declaration and Undertaking

I. Personal details of the Candidate/ Director

a.	Full name	
b.	Date of Birth	
c.	Educational Qualifications	
d.	Relevant Background and Experience	
e.	Permanent Address	
f.	Present Address	
g.	E-mail Address/ Telephone Number	
h.	Permanent Account Number under the Income Tax Act	
i.	Relevant knowledge and experience	
j.	Any other information relevant to Directorship of the Company.	

II. Relevant Relationships of Candidate/ Director

a.	List of Relatives if any who are connected with the Company (w.r.t. the Companies Act, 2013)	
b.	List of entities, if any, in which he/she is considered as being interested [w.r.t. Section 184 of the Companies Act, 2013]	
c.	Names of other Companies in which he/she is or has been a member of the board during the last 3 years (giving details of period during which such office was held)	

III. Records of professional achievements

a.	Relevant Professional achievements	
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IV. Proceedings, if any, against the Candidate/ Director

a.	If the person is a member of a professional association/ body, details of disciplinary action, if any, pending or commenced or resulting in conviction in the past against him/her or whether he/she has been banned from entry of at any profession/ occupation at any time.	
b.	Whether the person attracts any of the disqualifications envisaged under Section 164 of the Companies Act 2013?	
c.	Whether the person in case of appointment as Executive Chairman, Managing Director, Whole-time Director attracts any of the disqualification envisaged under Schedule V of Companies Act, 2013?	
d.	Whether the person at any time come to the adverse notice of a regulator such as SEBI, IRDA, MCA?	

V. Any other explanation/ information in regard to items I to III and other information considered relevant for judging fit and proper.

Undertaking

- I confirm that the above information is to the best of my knowledge and belief true and complete. I undertake to keep the Company fully informed, as soon as possible, of all events which take place subsequent to my appointment which are relevant to the information provided above.
- I also undertake to execute the deed of covenant required to be executed by all directors of the Company.

Place:

Signature:

Date:

VI. Remarks of Nomination Committee

Place:

Signature:

Date:

D. Remuneration of Directors

The table below shows the amount paid to the Executive Directors of the Company for the Financial Year 2014-15:

Name	Mr. Hari Chand Aggarwal	Mr. Rajesh Aggarwal	Mrs. Nikunj Aggarwal
Designation	Chairman cum Whole-time Director	Managing Director	Whole time Director
Salary & Allowances (H in Lacs)	68.40	57.00	11.40
Bonus/Performance Incentive (H in Lacs)	3.60	3.00	0.60
Perquisites (H in Lacs)	4.00	3.40	0.82
Retiral Benefits** (in H)	Nil	Nil	Nil
Stock options	Nil	Nil	Nil
Tenure	5 years	5 years	5 years
Notice Period & Severance Pay	One Month	One Month	One Month
Performance Criteria	As per Agreement	As per Agreement	As per Agreement

** The above figures do not include provisions for gratuity and premium paid for Group Health Insurance as separate actuarial valuation/premium paid is not available.

The details of the number of shares held by the Independent Directors are given in Table I above.

V. Stakeholders Relationship Committee

A. Composition, its Meetings and Attendance

- During the year, the Chairmanship of the Stakeholder's Relationship Committee got changed, with effect from June 1, 2014, the current composition of Nomination and Remuneration Committee constitutes Mr. Navneet Goel (Chairman), Mr. Virjesh Kumar Gupta and Mr. Anil Kumar Singh as Members. Till May 31, 2014, the Committee comprises of Mr. Gopal Chandra Agarwal (Chairman), Mr. Virjesh Kumar Gupta and Mr. Anil Kumar Singh as Members.
- During the year, 6 (Six) Stakeholders Relationship Committee Meetings were held as on May 28, 2014, June 28, 2014, August 14, 2014, October 30, 2014, December 19, 2014 and February 11, 2015. The number of meetings held and number of meetings attended by the Members during the year are given below:

Name of the Director	Designation	Number of Meetings held	Number of Meetings attended
Mr. Navneet Goel	Chairman	6	5
Mr. Virjesh Kumar Gupta	Member	6	6
Mr. Anil Kumar Singh	Member	6	6
Mr. Gopal Chandra Agarwal*	Chairman	1	1

*Till May 31, 2014 Mr. Gopal Chandra Agarwal, being Chairman of the Stakeholder Relationship Committee attended one Meeting

Mr. Pankaj Gupta, Company Secretary of the Company acted as the Secretary to the Committee.

B. Terms of Reference

The Terms of reference of Stakeholders Relationship Committee include:

- To consider and resolve the grievances of Security holders of the Company.
- To approve applications for transfer, transmission, transposition of shares and mutation of share certificates including issue of duplicate certificates, split, sub-division or consolidation of certificates and to deal with all related matters.
- To look into and redress the shareholders / investors grievances relating to:
 - Transfer of shares;
 - Non-receipt of dividends;
 - Non-receipt of annual reports; and
 - Any other complaint concerning the shareholders / investors
- The Committee will oversee the performance of the Registrar and Share Transfer Agents of the Company.
- Such other matters as may be required, from time to time, by any statutory or regulatory authority to be attended by the Committee;

- f) Consider other matters, as from time to time be referred to it by the Board.

C.Details of No. of Shareholder's complaint received, No. of Complaints not solved to the satisfaction of shareholders and No. of pending complaints

Sl. No.	Nature of Complaints	Received	Resolved	Pending
1	Non-receipt of Dividend Warrants in respect of Shares	Nil	Nil	Nil
2	Non- receipt of Annual Report	One	One	Nil
	Total	One	One	Nil

D. Compliance Officer

Mr. Pankaj Gupta, Company Secretary of the Company is Compliance Officer.

VI. Corporate Social Responsibility (CSR) Committee

A. Composition, its Meetings and Attendance

The Corporate Social Responsibility (CSR) Committee comprises of Mr. Hari Chandra Aggarwal (Chairman), Mr. Rajesh Aggarwal, Virjesh Kumar Gupta and Mr. Ashwani Aggarwal as Members.

2 (Two) meetings of the Corporate Social Responsibility Committee were held on February 11, 2015 and March 25, 2015.

Sl. No.	Name of the Director	Designation	Total meeting held during the years	Meetings attended
1.	Hari Chand Aggarwal	Chairman	2	2
2.	Rajesh Aggarwal	Member	2	2
3.	Virjesh Kumar Gupta	Member	2	2
4.	Ashwani Aggarwal	Member	2	2

Mr. Pankaj Gupta, Company Secretary of the Company acted as the Secretary to the Committee.

B. Terms of Reference

The Terms of reference of Corporate Social Responsibility Committee includes:

- a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activity or activities

to be undertaken by the Company as per the Schedule VII of the Companies Act, 2013;

- b) To recommend the amount of expenditure to be incurred on the activities related to CSR; and
 c) To monitor the Corporate Social Responsibility Policy of the Company from time to time.

SUBSIDIARY COMPANIES

During the year under review, the Company does not have any subsidiary company. Therefore, there is no requirement of reviewing the financial statements of unlisted company by Audit Committee.

RISK MANAGEMENT

The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and the Board of Directors review these procedures periodically.

GENERAL BODY MEETINGS

A. Annual General Meetings

During the preceding three years, the Company's Annual General Meetings were held at M.P.C.U. Shah Auditorium, Civil Lines, Delhi – 110054.

The date and time of Annual General Meetings held during last three years, and whether any special resolution(s) passed thereat, is/are as follows:

Year	Date	Venue	Time	Special-Resolution - Passed
2012	September 25, 2012	M.P.C.U. Shah Auditorium, Civil Lines, Delhi – 110054	4.30 P.M.	No
2013	August 27, 2013	M.P.C.U. Shah Auditorium, Civil Lines, Delhi – 110054	9.30 A.M.	Yes
2014	September 19, 2014	M.P.C.U. Shah Auditorium, Civil Lines, Delhi – 110054	1.00 P.M.	Yes

B. Special Resolution(s) passed through Postal Ballot

The Company has passed the special resolution(s) through postal ballot during the financial year 2014-15. The Postal Ballot Notice was sent 2nd December, 2014 & 13th February, 2015 to the shareholders electronically and by post. The shareholders voted through electronic mode and Ballot papers. M/s Akash Gupta & Associates, Company Secretaries was appointed as Scrutinizer and the results of voting are mentioned below:

Postal Ballot Results as on 10th January, 2015

Sl. No.	Description of Resolution	Total Voting	Voting in Favour	Voting Against	Voting Invalid
1	Increase in Authorised Share Capital	9139341	9137912	NIL	1429
2	Alteration of Objects Clause III	9139341	9137832	Nil	1509
3	Issue of Bonus Shares	9139341	9137832	Nil	1509
4	Approval u/s 180(1) (a) of the Companies Act, 2013	9139205	9137511	265	1429
5	Approval u/s 186 of the Companies Act, 2013	9139291	9134517	265	4509

Postal Ballot Results as on 20th March, 2015

Sl. No.	Description of Resolution	Total Voting	Voting in Favour	Voting Against	Voting Invalid
1	Further Issue of Securities	9807343	9807166	30	147

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution and no resolution is proposed to be passed through postal ballot.

• DISCLOSURES

A. Disclosure on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management of the Company and their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large

The details of related party transactions with the Company are given in Note No. 33 of the Notes to Accounts of the Company. Besides this, the Company has no material significant transaction with the related parties' viz. promoters, directors of the Company, management, their relatives, subsidiaries of promoter Company etc. that may have a potential conflict with the interest of the Company at large.

B. Disclosure of Accounting Treatment

There has not been any change in accounting policies of the Company during the year while preparing the annual financial statements for the year ended on March 31, 2015.

C. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets during last three years.

There has been no instance of non-compliance by the Company on any matter related to capital markets during last three years, and hence, no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority.

D. Vigil Mechanism (Whistle Blower) Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. No personnel has been denied access to the Audit Committee.

E. Adoption of Mandatory and Non- Mandatory Requirements of Clause 49

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. Further, the Company had not adopted any non-mandatory requirements as mentioned in the Clause 49.

F. Proceeds from Public Issue, Rights Issue, Preferential Issues, etc.

The Company has not done any further issue of shares during the period under review.

• **MEANS OF COMMUNICATION**

A. Quarterly Results

The Company's quarterly results are published in 'Mint (English)' and 'Rastriya Sahara (Hindi)', and are displayed on its website (www.insecticidesindia.com).

B. News Releases, Presentations, among others

Official news releases and official media releases are sent to Stock Exchanges.

C. Presentations to Institutional Investors / Analysts

The Company has displayed the presentations on the website (www.insecticidesindia.com)

D. Website

The Company's official news and other important investor related information are periodically displayed and updated on the company's website (www.insecticidesindia.com). Also, the website of the Company contains a separate dedicated section 'Investor Desk' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

• **General Shareholder Information**

Annual General Meeting

(i) Date, Time and Venue	Tuesday, September 22, 2015 1:00 P.M. M. P. C. U. Shah Auditorium, Civil Lines, Delhi – 110 054
(ii) Financial year	April 01, 2014 to March 31, 2015
(iii) Date of Book Closure	September 14, 2015 to September 22, 2015 (Both days inclusive)
(iv) Dividend Payment Date	The Board of Directors have proposed a dividend of H2.50/- (25%) per equity share for the financial year 2014-15, subject to approval by the shareholders in the ensuing Annual General Meeting.
(iv) Listing on Stock Exchange	Bombay Stock Exchange Ltd. (BSE) P.J. Towers, Dalal Street, Mumbai – 400 001 The National Stock Exchange of India Ltd. (NSE) "Exchange Plaza", BandraKurla Complex, Bandra(E), Mumbai – 400 051 Annual listing fee for the year 2015-16, has been paid by the Company to BSE and NSE. Annual custodian charges of Depository have also been paid to NSDL and CDSL.
(vi) Stock Code	532851—Bombay Stock Exchange Ltd.
(vii) ISIN No.	INE 070I01018

(viii) Market Price data in comparison to BSE SENSEX and NSE NIFTY:

Month	Company's Performance		BSE Sensex		NSE Nifty	
	High (H)	Low (H)	High(H)	Low(H)	High(H)	Low(H)
April, 2014	293.70	215.00	137.10	116.90	137.20	116.25
May, 2014	332.30	271.25	154.95	116.00	155.90	115.80
June, 2014	442.00	305.00	154.40	122.00	154.80	123.65
July, 2014	473.70	371.05	144.95	119.30	145.10	119.05
August, 2014	625.00	425.00	226.85	134.00	226.80	133.60
September, 2014	809.45	602.65	244.00	198.05	243.85	197.00
October, 2014	889.00	660.00	227.95	202.00	228.00	203.00
November, 2014	899.15	806.50	259.00	185.40	259.35	184.85
December, 2014	931.80	780.00	228.00	191.10	228.00	192.50
January, 2015	915.00	828.15	239.40	200.75	239.65	200.00
February	854.90	710.00	261.85	212.00	262.00	211.80
March	773.75	648.50	243.75	200.00	243.80	199.45

Source: www.bseindia.com and www.nseindia.com

(ix) Performance in comparison to Broad –based indices with BSE Sensex

Month	Company's Performance		BSE Sensex	
	High(H)	Low(H)	High(H)	Low(H)
April, 2014	293.70	215.00	22,939.31	22,197.51
May, 2014	332.30	271.25	25,375.63	22,277.04
June, 2014	442.00	305.00	25,725.12	24,270.20
July, 2014	473.70	371.05	26,300.17	24,892.00
August, 2014	625.00	425.00	26,674.38	25,232.82
September, 2014	809.45	602.65	27,354.99	26,220.49
October, 2014	889.00	660.00	27,894.32	25,910.77
November, 2014	899.15	806.50	28,822.37	27,739.56
December, 2014	931.80	780.00	28,809.64	26,469.42
January, 2015	915.00	828.15	29,844.16	26,776.12
February, 2015	854.90	710.00	29,560.32	28,044.49
March, 2015	773.75	648.50	30,024.74	27,248.45

Source: www.bseindia.com

(x) Registrar and Share Transfer Agent

Alankit Assignments Limited
 (Unit: Insecticides (India) Limited)
 Alankit House
 IE/13, Jhandewalan Extension,
 New Delhi – 110 055
 Tel No. (011) 4254 1234/234 1234
 Fax No. (011) 4254 1967
 Email: rta@alankit.com

(xi) Share Transfer System

Shares lodged for transfer at the Registrar's address and same are normally processed and approved by Mr. Pankaj Gupta, Company Secretary of the Company and the details of the same are noted in the Stakeholders Relationship Committee..

(xii) Distribution of Shareholding

Share Ownership Pattern as on March 31, 2015

Description of Resolution	No. of shares held	% of Share-holding
Promoter and Promoter Group	9472700	74.69
Mutual Funds	165458	1.30
Banks / Financial Institutions	676225	5.33
FIs	523294	4.13
NRI / Foreign Nationals	96531	0.76
Corporate Bodies	470919	3.71
Trust	78648	0.62
Indian Public	1199191	9.46
TOTAL	12682966	100.00

(xiii) Dematerialization of Shares and Liquidity

During the year under review, nil shares were dematerialized and did not affect the liquidity of the Company.

(xiv) Reconciliation of Share Capital Audit

M/s Ajay K Goyal & Co. (Company Secretaries), carries out the Reconciliation of Share Capital Audit as mandated by SEBI and report on the reconciliation of total issued and listed capital with that of total share capital admitted/ held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company's shares are listed.

(xv) Outstanding GDRs / Warrants and Convertible Bonds, Conversion Date and likely impact on Equity

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

(xvi) Plant Locations

Presently, your Company is a manufacturing unit and has 6 (Six) Plants located at the following places:

1. E – 442, RIICO Industrial Area, Chopanki, (Bhiwadi) – 301 707 (Rajasthan)
2. E – 443-444, RIICO Industrial Area Chopanki, (Bhiwadi) – 301 707 (Rajasthan)
3. SIDCO Industrial Growth Centre, Samba – 184 121 (J&K)
4. II D Centre, BattalBallian, Udhampur – 182 101 (J&K)
5. CH-21, GIDC Industrial Estate, Dahej, Dist. Bharuch – 392 130 (Gujarat)
6. E-439-440, RIICO Industrial Area, Chopanki, (Bhiwadi) – 301 707 (Rajasthan)

(xvii) Address for Correspondence

Investors and Shareholders can correspond with the Registered & Corporate Office of the Company at the following address:

The Company Secretary & Compliance Officer

Insecticides (India) Limited

401-402, Lusa Tower,

Azadpur Commercial Complex,

Delhi – 110 033

Tel Fax. (011) 2767 9700 – 04

Email – investor@insecticidesindia.com

• **CEO/CFO Certification**

A certificate, in accordance with the requirements of Clause 49(V) of the Listing Agreement, duly signed by the Managing Director and Chief Financial Officer (CFO) in respect of the year under review by the Audit Committee and was placed before the Board and taken on record by it.

• **Auditors' Certificate on Corporate Governance**

The Company has obtained the certificate from its Statutory Auditors regarding compliance with the provisions relating to Corporate Governance laid down in Clause 49 of the Listing Agreement. This certificate is attached with the Board's Report and will be sent to the Stock Exchanges along with the Annual Report to be filed by the Company.

DECLARATION BY MANAGING DIRECTOR

I, Rajesh Aggarwal, Managing Director of Insecticides (India) Limited hereby declare that all the Board Members and Senior Managerial Personnel have affirmed for the year ended on March 31, 2015 compliance with the Code of Conduct of the Company laid down for them.

Place: Delhi

Date: August 12, 2015

(Rajesh Aggarwal)

Managing Director

DIN: 00576872

CERTIFICATE

To,
The Members of
Insecticides (India) Limited
401 – 402, Lusa Tower,
Azadpur Commercial Complex,
Delhi – 110 033

We have examined the compliance of conditions of Corporate Governance by Insecticides (India) Limited, for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause, it is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mohit Parekh & Co.
Chartered Accountants

Mohit A Parekh
Partner
M. No. – 81069
Firm Regn. No.002067N

Place: Delhi
Date: August 25, 2015

Independent Auditor's Report

To
The Members of
INSECTICIDES (INDIA) LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Insecticides (India) Limited ("the company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including

the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India; of the state of affairs of the Company as at March 31, 2015; and its Profits and its Cash Flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company is subject to Legal proceedings and claims, which has arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial condition. (Refer Note No-42)
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long term contracts including derivative contracts;
- iii. The Company was not required to transfer any amount to the Investor Education and Protection Fund during the year.

FOR MOHIT PAREKH & CO.

Chartered Accountants

Firm Reg. No. 0002067N

Mohit Parekh

Proprietor

Membership No. 081069

Place: Delhi

Dated: May 27, 2015

Annexure to Independent Auditor's Report

(Referred to in point I under the heading "Report on Other Legal & Regulatory Requirements" of our report of even date)

1. In respect of its Fixed Assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, the Fixed Assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
2. In respect of its Inventories:
 - a. As explained to us, the inventories have been physically verified by the management at regular intervals during the year and in our opinion the frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. The Company has not granted any loans secured or unsecured to the Companies, Firm (s) or other parties covered in the register maintained u/s 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) of the Companies (Auditor's Report) Order, 2015 (as amended) (the order) is not applicable to the company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have not noticed any continuing failure to correct major weakness in such internal control system of the company.
5. According to the information and explanations given to us, the Company has not accepted any deposits from its members or from the public during the year under audit within the meaning of section 73 to section 76 or any other relevant provisions of the Companies Act, 2013 & the rules framed thereunder. Therefore the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 148(1) of the Companies Act and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. In respect of Statutory Dues:
 - a. According to the records of the Company apart from certain instances of delay in depositing the undisputed statutory dues, the company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.
 - b. According to the records of the Company, the disputed statutory dues aggregating to H68032008/- that have not been deposited on account of disputed matter pending before Appropriate Authorities are as under:

S.No.	Name of the Statute	Nature of Dues	Period to which it relates	Forum where Dispute is Pending	Amount (In Lacs)
1.	Central Excise Act, 1944	Excise Duty	Sep'04 to Aug'07	Appellate Tribunal-New Delhi	186.11
2.	VAT Act	Penalty	2010-11	Appellate Authority, VAT, West Bengal	5.70
3.	VAT Act	Central Sales Tax	2009-10	VAT Tribunal, Jammu	14.42
4.	VAT Act	VAT	2010-11	Appellate Authority, VAT, West Bengal	12.22
5.	VAT Act	Central Sales Tax	2010-11	Appellate Authority, VAT, West Bengal	2.78
6.	VAT Act	Central sales tax	2012-13	Assistant Commissioner, VAT, Indore	1.52
7.	VAT Act	VAT	2014-15	Deputy Commissioner (Appeals), Jaipur	21.13
8.	VAT Act	Central Sales Tax	2010-11	Commissioner Appeal, Assessing Authority, Commercial Tax Circle G, Jammu	415.77

- c. The amount was not required to be transferred to Investor Education & Protection Fund during the year and as such the clause is not applicable to the company during the year under consideration.
8. The Company does not have accumulated losses at the end of the financial year and has not incurred any cash loss during the financial year covered by our audit or in the immediately preceding financial year.
9. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks.
10. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
11. To the best of our knowledge and belief and according to the information and explanations given to us, the term loans availed by the company were prima facie applied for the purposes for which they were raised.
12. During the course of our examination of the books & records of company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year nor we have been informed of any such case by the management.

FOR MOHIT PAREKH & CO.

Chartered Accountants

Firm Reg. No. 0002067N

Mohit Parekh

Place: Delhi *Proprietor*

Dated: May 27, 2015

Membership No. 081069

Balance Sheet as at March 31, 2015

Amount (In Lacs)

Particulars	Notes	As at March 31, 2015	As at March 31, 2014
A EQUITY AND LIABILITIES			
Shareholder's Funds			
(a) Share Capital	3	1,268.30	1,268.30
(b) Reserves & Surplus	4	27,872.85	23,387.29
		29,141.15	24,655.59
Non-current liabilities			
(a) Long-term borrowings	5	5,366.24	3,020.70
(b) Deferred tax liabilities (net)		1,556.92	1,326.66
(c) Other long-term liabilities	6	393.51	428.93
(d) Long-term provisions	7	60.29	32.64
		7,376.96	4,808.93
Current liabilities			
(a) Short-term borrowings	8	24,094.53	21,242.90
(b) Trade payables	9	20,982.75	20,360.41
(c) Other current liabilities	10	7,809.75	6,452.51
(d) Short-term provisions	11	2,671.25	1,617.01
		55,558.28	49,672.83
TOTAL		92,076.39	79,137.35
B ASSETS			
Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		20,186.10	16,703.19
(ii) Intangible assets		284.74	352.36
(iii) Capital work-in-progress		3,764.69	5,371.90
		24,235.53	22,427.45
(b) Non-Current Investments	13	1,108.54	1,108.54
(c) Long-term loans and advances	14	592.42	474.47
(d) Other non-current assets	15	218.56	627.21
		26,155.05	24,637.67
Current assets			
(a) Inventories	16	39,140.37	31,165.97
(b) Trade receivables	17	16,680.81	12,787.43
(c) Cash and cash equivalents	18	655.73	903.37
(d) Short-term loans and advances	19	5,759.35	6,626.58
(e) Other current assets	20	3,685.08	3,016.33
		65,921.34	54,499.68
TOTAL		92,076.39	79,137.35
Summary of Significant Accounting Policies	1 to 2	-	-
Notes On Financial Statements	3 to 51		

The accompanying notes are an integral part of the financial statements.

As per our separate report of even date annexed herewith

For MOHIT PAREKH & CO.

Chartered Accountants
Firm Reg. No. 0002067N

Mohit A Parekh
Proprietor
M.No.- 081069

Place : Delhi
Date: May 27, 2015

For and on Behalf of the Board

Hari Chand Aggarwal
Chairman
DIN 00577015

Sandeep Aggarwal
Chief Financial Officer

Rajesh Aggarwal
Managing Director
DIN 00576872

Pankaj Gupta
Company Secretary

Nikunj Aggarwal
Whole Time Director
DIN 06569091

Statement of Profit & Loss Account for the year ended on March 31, 2015

Amount (In Lacs)

	Notes	For the year ended March 31, 2015	For the year ended March 31, 2014
CONTINUING OPERATIONS			
INCOME			
Revenue from Operations (Gross)	21	103,133.46	92,253.55
Less: Excise Duty		6,714.31	5,845.38
Revenue from operations (net)		96,419.15	86,408.17
Other Income	22	43.53	45.37
Total revenue (I)		96,462.68	86,453.54
EXPENSES			
Cost of raw material and components consumed	23	67,963.68	55,028.87
Purchase of Traded Goods	24	4,962.28	10,184.18
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	25	(8,097.15)	(5,062.02)
Employee Benefits Expense	26	3,444.41	2,930.40
Depreciation and amortization Expense	27	1,416.82	665.55
Finance Costs	28	3,315.69	2,691.17
Other expenses	29	17,040.10	15,150.24
Total (II)		90,045.83	81,588.39
Profit/(loss) before tax (I-II)		6,416.85	4,865.15
Tax Expenses			
Current Tax		902.21	1,062.34
Mat Credit Entitlement		(200.00)	(500.00)
Deferred Tax		230.26	308.55
Total Tax Expenses		932.47	870.89
Profit/(loss) for the year		5,484.38	3,994.26
Earnings per equity share [nominal value of share H10]			
(31 March 2014: H10)			
Basic & Diluted		43.24	31.49
Summary of Significant Accounting Policies	I to 2		
Notes On Financial Statements	3 to 51		

The accompanying notes are an integral part of the financial statements.

As per our separate report of even date annexed herewith

For MOHIT PAREKH & CO.
Chartered Accountants
 Firm Reg. No. 0002067N

Mohit A Parekh
Proprietor
 M.No.- 081069

 Place : Delhi
 Date: May 27, 2015

For and on Behalf of the Board
Hari Chand Aggarwal
Chairman
 DIN 00577015

Sandeep Aggarwal
Chief Financial Officer
Rajesh Aggarwal
Managing Director
 DIN 00576872

Pankaj Gupta
Company Secretary
Nikunj Aggarwal
Whole Time Director
 DIN 06569091

Cash Flow Statement for the year ended on March 31, 2015

	Amount (In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
(A) Cash Flow From Operating Activities		
Net Profit Before Tax	6,416.85	6,416.85
<u>Adjustment for</u>		
- Depreciation	1,416.82	1,416.82
- (Profit)/ Loss on Sale of Assets	22.90	22.90
- Preliminary Expenses Written Off	-	-
- Interest Income	(35.71)	(35.71)
- Interest Expenses	2,402.06	2,402.06
Operating Profit Before Working Capital Changes	10,222.92	10,222.92
<u>Adjustments for</u>		
- (Increase)/Decrease in Trade Receivable	(3,893.38)	(3,893.38)
- (Increase)/Decrease in Inventories	(7,974.40)	(7,974.40)
- (Increase)/Decrease in Other Current Assets	(640.05)	(640.05)
- (Increase)/Decrease in Short Term Loans & Advances	1,779.00	1,779.00
- (Increase)/Decrease in Long Term Loans & Advances	(117.96)	(117.96)
- Increase/(Decrease) in Trade Payable	622.34	622.34
- Increase/(Decrease) in Long Term Liabilities	(35.42)	(35.42)
- Increase/(Decrease) in Other Current Liabilities	194.26	194.26
- Increase/(Decrease) in Provision for Expenses	72.47	72.47
	229.78	229.78
Less: Income Tax/ Wealth Tax	(713.87)	(713.87)
Less: Preliminary Expenses Incurred	(89.33)	(89.33)
Net Cash From Operating Activities (A)	(573.42)	(573.42)
(B) Cash Flow From Investing Activities		
- Addition to Fixed Assets	(3,347.57)	(3,347.57)
- Sale of Fixed Assets	33.98	33.98
- Interest Income	35.71	35.71
- (Addition) Disposal/Sales of Investments	-	-
Net Cash From Investing Activities (B)	(3,277.88)	(3,277.88)

Cash Flow Statement for the year ended on March 31, 2015

Amount (In Lacs)

	For the year ended March 31, 2015	For the year ended March 31, 2014
(C) Cash Flow From Financing Activities		
- Proceeds from borrowing/loans	6,450.87	4,374.45
- Interest paid	(2,402.06)	(1,586.80)
- Dividend Paid	(380.49)	(380.49)
- Distribution Tax Paid	(64.66)	(64.66)
Net Cash From Finance Activities (c)	3,603.66	2,342.50
Net Cash Flow during the year (A+B+C)	(247.64)	434.26
Cash and Cash equivalents Opening Balance	903.37	469.11
Cash and Cash equivalents Closing Balance	655.73	903.37

Notes:-

- The Cash Flow Statement has been prepared under the "Indirect method" as set out in the accounting standard 3 "Cash Flow Statement" issued by The Institute of Chartered Accountants of India.
- Previous year's figures have been re-classified to confirm with current year's presentation, wherever considered necessary.

As per our separate report of even date annexed herewith

For MOHIT PAREKH & CO.

Chartered Accountants
Firm Reg. No. 0002067N

Mohit A Parekh
Proprietor
M.No.- 081069

Place : Delhi
Date: May 27, 2015

For and on Behalf of the Board

Hari Chand Aggarwal
Chairman
DIN 00577015

Sandeep Aggarwal
Chief Financial Officer

Rajesh Aggarwal
Managing Director
DIN 00576872

Pankaj Gupta
Company Secretary

Nikunj Aggarwal
Whole Time Director
DIN 06569091

Notes on Financial Statements for the year ended on March 31, 2015

I. CORPORATE INFORMATION

Insecticides (India) Limited (The Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company has its primary listings on the BSE Limited and National Stock Exchange in India. The Company is engaged in the manufacturing activities of Agro Chemicals, Pesticides and Technical Products for agriculture purposes. The Company caters to both domestic and international markets.

2. SIGNIFICANT ACCOUNTING POLICIES

A. ACCOUNTING CONVENTION

These financial statements have been prepared to comply with Generally accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The Financial statements are prepared on accrual basis under the historical cost convention. Accounting Policies not specifically referred to otherwise, are consistent and in consonance with generally accepted Accounting Principles.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of Assets & Liabilities, disclosure of Contingent Liabilities on the date of Financial Statements and the reported amount of Expenses and Income during the reporting period. Difference between the estimates and actual results are recognized in the period in which the results are known /materialized.

C. TANGIBLE FIXED ASSETS (OWNED)

Fixed Assets are stated at cost of acquisition net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are shown as Capital Work in Progress.

D. INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

E. LEASED ASSETS

The Company do not have any leased assets.

F. DEPRECIATION, AMORTISATION & DEPLETION

Depreciation on Fixed Assets has been provided on Straight Line Method based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 except in respect of following assets, where useful life is different than those prescribed in Schedule II are used;

Particulars	Depreciation
Office/Godown Building (Useful Life : 60 years)	Over a period of 30 years as technically assessed
Plant & Machinery (Useful Life : 15 years)	Over a period of 20 years as technically assessed

Depreciation on assets acquired/disposed off during the year has been provided on pro-rata basis with reference to the date of use/ addition/disposal.

Intangible Assets are amortized on Straight Line Method over their useful life.

Impact of change in Depreciation due to change in Companies Act, 2013

According to the new provisions of Schedule II of Companies Act, 2013 the depreciation on assets comes out to be 1416.82 Lacs as against the depreciation of 878.22 Lacs as per Companies Act, 1956.

The profits for the period were decreased by 538.60 Lacs due to changes adopted pursuant to the Schedule II of Companies Act, 2013.

Notes on Financial Statements for the year ended on March 31, 2015

G. INVESTMENTS

Current investments, if any, are stated at lower of cost or fair value determined on individual investment basis. Non Current investments are stated at cost. Provision for diminution in the value of non current investments is made only if such decline is other than temporary.

H. PURCHASES

Purchases are net of rebate/special discounts, excise duty, goods returned etc.

I. REVENUE RECOGNITION

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

Sales of goods: Sale are recognized when substantial risks and rewards of ownership in the goods transferred to the buyer, usually on delivery of the goods. Turnover includes sales of goods & excise duty (net of sales returns, sales tax/ value added tax)

Other Income: Interest income is recognized on time proportion basis taking in to account the amount outstanding and the interest rate applicable.

Dividend Income is recognized when the right to receive payment is established.

Export Incentives: Export incentives are recognized in the statement of Profit & Loss when the right to receive incentives is established in respect of exports made and when there is no significant uncertainty regarding the collection of the relevant export proceeds.

J. FOREIGN CURRENCY TRANSACTIONS

- Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- Monetary items denominated in foreign currency at the year end are restated at the year end rate. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognized as exchange rate difference and the premium paid on forward contracts is recognized over the life of the contract.
- Non monetary foreign currency items are carried at cost.
- Any Gain or Loss on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit & Loss except in case they relate to acquisition of fixed assets, they are adjusted to the carrying cost of such assets.

K. RETIREMENT BENEFITS

- Contribution to provident fund and family pension fund are accounted for on accrual basis.
- The company provides for Leave Encashment Benefits. The expenses towards leave encashment are recognized in the Statement of Profit & Loss on the basis of an actuarial valuation based on projected unit credit method carried out at the year-end.
- The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Company has Gratuity Fund covered by the scheme with LIC of India. The expenses towards gratuity are recognized in the Statement of Profit & Loss on the basis of an actuarial valuation based on projected unit credit method carried out at the year-end.

L. IMPAIRMENT OF ASSETS

An asset is treated as impaired, when carrying cost of assets exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period(s), if any, is reversed if there has been a change in the estimate of the recoverable amount.

M. EXCISE DUTY

Excise duty is accounted on the basis of both, payments made in respect of goods cleared and also provision made for goods lying in branches/factories.

N. INVENTORIES

The items of inventories are measured at cost after providing for obsolescence, if any. Cost of inventories comprise of cost of purchase, cost of conversion and appropriate portion of variable and fixed proportion overheads and such other costs incurred in bringing them to their respective present location and condition including excise duty wherever applicable. Fixed production overheads are based on normal capacity of production facilities. Cost of raw material, process chemicals, stores and spares packing materials, trading and other products are determined on weighted average basis.

Notes on Financial Statements for the year ended on March 31, 2015

O. BORROWING COSTS

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use. A qualifying asset is an asset that requires a substantial period of time to get ready for its intended use.

All other borrowing costs are recognized as expense in the statement of profit & loss in the period in which they are incurred.

P. PROPOSED DIVIDEND

Dividend proposed by the Board of Directors is provided for in the books of account and is pending for approval at the Annual General Meeting.

Q. RESEARCH & DEVELOPMENT

The expenditure on Research & Development for technical plants at Dahej & Chopanki is recognized as an expense in the Statement of Profit & Loss on an accrual basis. The fixed assets acquired for carrying out the research & development activities are capitalized and depreciation thereon is recognized as an expense in the Statement of Profit & Loss.

R. PROVISION FOR CURRENT & DEFERRED TAX

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing difference of earlier years/period. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

S. FINANCIAL DERIVATIVES HEDGING TRANSACTIONS

In respect of derivatives contracts, premium paid, gain/loss on settlement and losses on restatement are recognized in the Statement of Profit & Loss except in case they relates to the acquisition or construction of fixed assets, they are adjusted to the carrying cost of such assets.

T. Claims by or against the Company are accounted when acknowledged/ accepted/ settled/ received.

U. Interest on Late Payments by the customers & to the suppliers and differential interest to the bankers are accounted for on acceptance basis.

V. The bonus is accounted for on accrual basis.

W. The Company has already initiated the process and entitled for subsidy on account of certain revenue and capital nature of expenditures incurred at Samba & Udampur Units in earlier years. The company's policy is to account for subsidy on cash/acceptance basis as under:

Subsidy of capital nature and related to specific Fixed Asset shall be deducted from the gross value of assets.

Subsidy related to revenue shall be recognized in the Statement of Profit & Loss to match them with related costs.

X. PROVISIONS, CONTINGENT LIABILITIES, CONTINGENT ASSETS

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes.

Contingent Assets are neither recognized nor disclosed in the financial statements.

Y. MAT CREDIT ENTITLEMENTS

The Company is liable to pay income tax u/s 115JA & 115JB of the Income Tax Act during the year. In terms of the Guidance Note issued by the Council of the Institute of Chartered Accountants of India "on accounting for credit available in respect to MAT under the Income Tax act", the MAT Credit available is treated as an "Asset" if the MAT credit has expected future economic benefits in the form of its adjustment against the discharge of the normal tax liability if the same arises during the specified period and accordingly the necessary provisions has been made by the company during the year.

Notes on Financial Statements for the year ended on March 31, 2015

3. SHARE CAPITAL

	As at March 31, 2015	As at March 31, 2014
Authorised Shares		
25000000 (Previous Year: 15000000) Equity Shares of H10/- Each	2,500.00	1,500.00
Issued, Subscribed & fully Paid-up Shares		
12682966 (Previous Year: 12682966) Equity Shares of H10/- Each	1,268.30	1,268.30
Total issued, subscribed and fully paid-up share capital	1,268.30	1,268.30

Note:- The company has declared Bonus Shares in the ratio of 2:1 during the year. However, the same has been issued in the month of May 15, i.e. in succeeding financial year.

3(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at March 31, 2015		As at March 31, 2014	
	Number of shares	(In Lacs)	Number of shares	(In Lacs)
At the beginning of the period	12682966	1,268.30	12682966	1,268.30
Issued during the period	-	-	-	-
Outstanding at the end of the period	12682966	1,268.30	12682966	1,268.30

3(b) Rights, preferences and restrictions attached to shares :

The company has only one class of equity shares having a par value of H10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their shareholding.

During the financial year ended on 31st, March 2015, the amount of per share dividend recognized as distributions to equity shareholders was H2.50 (Previous Year H3.00) including Bonus Shares.

3(c) The details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at March 31, 2015		As at March 31, 2014	
	Number of Shares	% Held	Number of Shares	% Held
Rajesh Aggarwal	3528600	27.82	3528600	27.82
Pushpa Aggarwal	1434600	11.31	1434600	11.31
Rajesh Aggarwal (HUF)	1302000	10.27	1302000	10.27
Hari Chand Aggarwal (HUF)	996000	7.85	996000	7.85
Nikunj Aggarwal	750000	5.91	750000	5.91
Life Insurance Corporation of India	675000	5.32	675000	5.32

Notes on Financial Statements for the year ended on March 31, 2015

4. RESERVES AND SURPLUS

	(In Lacs)	
	As at March 31, 2015	As at March 31, 2014
(a) Securities premium account	3,155.27	3,518.15
(b) General Reserve		
Opening balance	2,142.65	1,656.13
Add: Transferred from surplus in Statement of P&L	641.69	486.52
Less: Retained Earnings (Fixed Assets)	(65.79)	-
Closing balance	2,718.55	2,142.65
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	18,114.25	15,051.66
Add: Profit / (Loss) for the year	5,484.38	3,994.26
Less: Appropriations		
Proposed final equity dividend {amount per share H2.50 (31 March 2014: H3.00)}	(475.61)	(380.49)
Tax on proposed equity dividend	(96.82)	(64.66)
Transfer to general reserve	(641.69)	(486.52)
Adjustment of pre-operative exp.	(60.63)	-
Closing balance	22,323.88	18,114.25
(d) Foreign Currency Translation Reserve	(324.85)	(387.76)
Total Reserves and Surplus	27,872.85	23,387.29

5. LONG-TERM BORROWINGS

	(In Lacs)			
	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
(a) Term loans				
Indian rupee loan from banks - Vehicle Loans (secured)	63.39	62.15	102.08	102.60
Indian rupee loan from banks - Term Loan (secured)	3,779.41	-	871.54	-
Foreign currency loan from banks (secured)	1,523.44	2,958.55	1,571.70	1,434.64
(b) Loans & Advances (Unsecured)				
- From Related Parties	-	-	-	-
- From Others	-	-	154.90	-
Total Amount	5,366.24	3,020.70	2,700.22	1,537.24

5(a) Nature of Security and terms of repayment for secured borrowing :

- Term Loans from banks for vehicles have been secured by hypothecation of vehicles. Further, vehicles loans have been guaranteed by the personal guarantee of the directors- Mr. Hari Chand Aggarwal and Mr. Rajesh Aggarwal. These loans are repayable in 36 monthly installments from the date of the loans along with interest rates ranging between 10.50% to 12.50% per annum.
- The Foreign Currency outstanding loan amounting to 706.25 Lacs (Previous Year -1128.37 Lacs) has been secured by the first charge over Plant and Machineries situated at CH-21, GIDC Industrial Estate, Dahej Plant (Gujarat). Further, the loan has been guaranteed by the personal guarantee of the directors- Mr. Hari Chand Aggarwal and Mr. Rajesh Aggarwal. The outstanding loan is repayable in 6 quarterly instalments. The interest is to be paid on quarterly basis at Libor plus 2.5%. Further, the company has entered into the derivative contract for hedging of the currency swaps and interest rate swaps.

Notes on Financial Statements for the year ended on March 31, 2015

5. LONG-TERM BORROWINGS (contd.)

- (iii) The Foreign Currency outstanding loan amounting to 1367.57 Lacs (Previous Year -2059.75 Lacs) has been secured by the exclusive first charge over assets being financed including Land & Building and Plant & Machineries situated at CH-21, GIDC Industrial Estate, Dahej Plant (Gujrat). Further, the loan has been guaranteed by the personal guarantee of the directors- Mr. Hari Chand Aggarwal and Mr. Rajesh Aggarwal. The outstanding loan is repayable in 7 quarterly instalments. The interest is to be paid on quarterly basis at Libor plus 3.5%. Further, the company has entered into the derivative contract for hedging of interest rate swaps & 36% of currency swaps.
- (iv) The Foreign Currency outstanding loan amounting to 1021.31 Lacs (Previous Year -1205.08 Lacs) has been secured by the exclusive first charge over assets being financed including Land & Building and Plant & Machineries situated at CH-21, GIDC Industrial Estate, Dahej Plant (Gujrat). Further, the loan has been guaranteed by the personal guarantee of the directors- Mr. Hari Chand Aggarwal and Mr. Rajesh Aggarwal. The outstanding loan is repayable in 13 quarterly instalments. The interest is to be paid on quarterly basis at Libor plus 3.00%. Further, the company has entered into the derivative contract for hedging of the currency swaps and interest rate swaps.
- (v) The Indian Rupees Term Loans outstanding amounts to 4650.95 Lacs (1750 Lacs + 2900.95 Lacs) (Previous Year -Nil) have been secured by the exclusive first charge over assets being financed including Land & Building and Plant & Machineries situated at CH-21, GIDC Industrial Estate, Dahej Plant (Gujrat). Further, the loan has been guaranteed by the personal guarantee of the directors- Mr. Hari Chand Aggarwal and Mr. Rajesh Aggarwal. These outstanding loans are repayable quarterly in 10 & 17 installments alongwith interest @ 12.50% & @ 11.95% respectively.

6. OTHER LONG-TERM LIABILITIES

	(In Lacs)	
	As at March 31, 2015	As at March 31, 2014
Trade / security deposits received from Customers	318.45	279.07
National Research Development Corporation (TDDP)	75.06	96.73
Due To GIDC, Gujarat	-	53.13
Total Amount	393.51	428.93

7. LONG TERM PROVISIONS

	(In Lacs)	
	As at March 31, 2015	As at March 31, 2014
(a) Provision for employee benefits:		
(i) Provision for gratuity	21.42	-
(ii) Provision for Leave Encashment	24.19	-
(b) Provision for Foreign Exchange Loss (M to M)	14.68	32.64
Total Amount	60.29	32.64

8. SHORT-TERM BORROWINGS

	(In Lacs)	
	As at March 31, 2015	As at March 31, 2014
(a) Loans repayable on demand		
From banks (Secured)	13,446.17	10,832.50
(b) Cash credit from banks (Secured)	9,842.00	8,765.16
(c) Buyers Credit Loans (Secured)	806.36	1,645.24
Total Amount	24,094.53	21,242.90

Working Capital Loans (Demand Loan, Cash Credit & Buyers Credits) from banks are secured by first pari passu charge over present and future stock & book debts and moveable fixed assets of the company. These loans are additionally secured by equitable mortgage on pari passu basis over Lands & Buildings of the company and residential property of the director at Pitampura Delhi and negative lien on company's Samba Unit (J&K) Udhampur Unit (J&K) and office at Azad Pur (Delhi). Further, these loans have been guaranteed by the personal guarantee of the directors -Mr. Hari Chand Aggarwal and Mr. Rajesh Aggarwal. Further, the company has entered into the derivative contract for hedging of buyer's credit amounting to 388.15 Lacs during the year (P.Y. - 621.94 Lacs).

Notes on Financial Statements for the year ended on March 31, 2015

9. TRADE PAYABLES

	(In Lacs)	
	As at March 31, 2015	As at March 31, 2014
Trade payables (including acceptances)	20,982.75	20,360.41
Total Amount	20,982.75	20,360.41

10. OTHER CURRENT LIABILITIES

	(In Lacs)	
	As at March 31, 2015	As at March 31, 2014
Current maturities of long-term borrowings	2,700.22	1,537.24
Unpaid dividend	3.93	3.51
Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Prof. Tax, Withholding Taxes, Excise Duty, VAT, Service Tax, TDS etc.)	282.61	246.09
(ii) Advances from customers	2,703.28	2,663.40
(iii) Cheques sent for Collection	13.70	61.24
(iv) Debtors having Credit Balance	1,500.31	1,219.53
(v) Creditors for Capital Expenditure	88.32	260.47
(vi) Expenses Payable	517.38	461.03
Total Amount	7,809.75	6,452.51

11. SHORT-TERM PROVISIONS

	(In Lacs)	
	As at March 31, 2015	As at March 31, 2014
(a) Provision for employee benefits		
(i) Provision for bonus	145.18	119.53
(ii) Provision for Leave Encashment	1.21	-
(b) Provision - Others		
(i) Provision for Income Tax	1,950.00	1,050.00
(ii) Provision for Wealth Tax	2.43	2.33
(iii) Proposed equity dividend	475.61	380.49
(iv) Provision for tax on proposed equity Dividend	96.82	64.66
Total Amount	2,671.25	1,617.01

Notes on Financial Statements for the year ended on March 31, 2015

12. DEPRECIATION AS PER THE COMPANIES ACT

Description Of Assets		GROSS BLOCK				DEPRECIATION				NET BLOCK		(In Lacs)	
		opening Balance as on 01.04.2014	Addition	Sale/ Adjustment	Total as on 31.03.2015	opening Balance as on 01.04.2014	Depreciation	Amt trf to Retain Earning	Written Back	Net Depreciation for the year	Total as on 31.03.2015		As on 31.03.2015
(i) Tangible Assets													
	Freehold land	699.35	-	-	699.35	-	-	-	-	-	699.35	699.35	699.35
	Leaseholds	1,367.85	-	-	1,367.85	-	-	-	-	-	1,367.85	1,367.85	1,367.85
	Office/godown bldg	73.07	-	-	73.07	8.46	2.66	-	-	2.66	61.95	64.61	64.61
	Factory bldg	4,511.25	1,726.29	-	6,237.54	374.58	176.18	-	-	176.18	5,686.78	4,136.67	4,136.67
	Plant & machinery	2,986.33	992.48	-	3,978.81	304.26	361.56	3.87	-	365.43	669.69	3,309.12	2,682.07
	Electrical installn	311.21	93.29	-	404.50	53.53	47.91	5.13	-	53.04	106.57	297.93	257.68
	Factory equipment	46.17	62.85	-	109.02	3.28	7.28	-	-	7.28	10.56	98.46	42.89
	Laboratory equipment	283.99	127.63	-	411.62	43.28	45.99	1.02	-	47.01	90.29	321.33	240.71
	Road RCC	1,343.00	275.19	-	1,618.19	0.12	133.96	-	-	133.96	134.08	1,484.11	1,342.88
	Other Plant & Machinery	5,306.73	1,259.80	-	6,566.53	608.36	377.78	4.53	-	382.31	990.67	5,575.86	4,698.37
	Server	22.27	58.47	-	80.74	9.90	6.84	1.00	-	7.84	17.74	63.00	12.37
	Motor Cycle/Scooter	635.2	12.90	4.44	71.98	22.79	6.32	0.01	2.19	4.14	26.93	45.05	40.73
	Pollution control eq	61.72	40.11	-	101.83	20.02	5.49	-	-	5.49	25.51	76.32	41.70
	Generator	15.21	49.89	-	65.10	6.04	2.72	(0.25)	-	2.47	8.51	56.59	9.17
	Telephone & Mobiles	11.49	2.41	-	13.90	1.85	3.12	1.81	-	4.93	6.78	7.12	9.64
	Furniture & fixtures	101.38	63.52	-	164.90	24.90	13.22	1.51	-	14.73	39.63	125.27	76.48
	Electrical fittings	365.31	32.91	-	398.22	33.49	39.77	-	-	39.77	732.6	324.96	331.82
	Office equipment	80.01	13.97	-	93.98	21.79	12.74	29.30	-	42.04	63.83	30.15	58.22
	Computers & acc.	109.50	47.23	1.25	155.48	65.63	27.18	6.18	0.53	32.83	98.46	57.02	43.87
	Vehicles	631.34	143.63	87.95	687.02	150.24	86.44	1.34	34.04	53.74	203.98	483.04	481.10
	Commercial Vehicle	17.88	-	-	17.88	0.66	2.38	-	-	2.38	3.04	14.84	17.22
	Sub Total (A)	18,408.58	5,002.57	93.64	23,317.51	1,753.18	1,359.54	55.45	36.76	1,378.23	3,131.41	20,186.10	16,655.40
(ii) Intangible Assets													
	Capitalised software	295.57	-	-	295.57	117.61	36.24	-	-	36.24	153.85	141.72	177.96
	Website	0.77	-	-	0.77	0.30	-	0.43	-	0.43	0.73	0.04	0.47
	Patent, tm & designs	209.35	-	-	209.35	35.42	21.04	9.91	-	30.95	66.37	142.98	173.93
	Sub Total (B)	505.69	-	-	505.69	153.33	57.28	10.34	-	67.62	220.95	284.74	352.36
	Total (A+B)	18,914.27	5,002.57	93.64	23,823.20	1,906.51	1,416.82	65.79	36.76	1,445.85	3,352.36	20,470.84	17,007.76
	Capital Goods in Transit										3.23	47.79	
	Total (A+B+C)	18,914.27	5,002.57	93.64	23,823.20	1,906.51	1,416.82	65.79	36.76	1,445.85	3,352.36	20,474.07	17,055.55
	Previous Year Figure	15,301.13	3,733.92	72.99	18,962.06	1,266.36	665.55	-	25.40	640.15	1,906.51	17,055.55	14,034.77
	Capital Work In Progress											3,761.46	5,371.90

Notes on Financial Statements for the year ended on March 31, 2015

13. NON CURRENT INVESTMENTS

	(In Lacs)	
	As at March 31, 2015	As at March 31, 2014
(Long Term Investments)		
In Shares		
Unquoted Fully paid-up-At Cost		
(In J.V.)		
(a) OAT & IIL India Lab.(P) Ltd.	795.00	795.00
(795000 Equity Shares @ H100/- Each) (F.V-H100/-)		
(P.Y - 795000 Equity Shares @ H100/- Each)		
Quoted Fully paid-up-At Cost (Listed at Tokyo Stock Exchange)		
(In Parent Co. of J.V.)		
(b) OAT Agrio Co.Ltd.	313.54	313.54
[18200 Shares @ H1722.75 (F.V-H1/-)]		
(P.Y - 18200 Shares @ H1722.75 (F.V-H1/-))		
(Market Value of 1 share - 2210 Yen as on March 31, 2015)		
(P.Y. - Unlisted)		
Total Amount	1,108.54	1,108.54

14. LOANS AND ADVANCES (NON CURRENT)

	(In Lacs)	
	As at March 31, 2015	As at March 31, 2014
Capital advances		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
Security deposit		
Secured, considered good	147.72	148.57
Unsecured, considered good	-	-
Doubtful	-	-
	147.72	148.57
Advances recoverable in cash or kind		
Secured considered good	-	-
Unsecured considered good	-	-
Doubtful	-	-
	-	-
Other loans and advances		
Advance income-tax	-	-
Prepaid expenses	-	-
Loans & Travel Advances to employees	-	-
Balance with Central Excise,VAT Authorities, etc.	444.70	325.90
	444.70	325.90
Total	592.42	474.47

Notes on Financial Statements for the year ended on March 31, 2015

15. OTHER NON-CURRENT ASSETS

	As at March 31, 2015	As at March 31, 2014
Unamortised expenses		
Share issue expenses etc.	-	362.88
Unamortised (Gain)/Loss on Foreign Currency	218.56	264.33
Total Amount	218.56	627.21

16. INVENTORIES

	As at March 31, 2015	As at March 31, 2014
(a) Raw materials (On Weighted Average Basis)	11,109.53	11,137.26
Goods-in-transit	566.79	812.12
(b) Finished goods (Manufactured) (At Cost)	21,377.77	13,681.62
Goods-in-transit	21.02	132.89
(c) Stock-in-trade (Traded Goods) (On Weighted Average Basis)	1,619.67	2,167.83
(d) Packing materials (On Weighted Average Basis)	1,525.58	1,260.79
Goods-in-transit	12.29	33.80
(e) Semi - Finished goods (On Weighted Average Basis)	2,848.20	1,899.03
(f) Stores, Spares Parts & Fuel (On Weighted Average Basis)	52.20	40.63
Goods-in-transit	7.32	-
Total Amount	39,140.37	31,165.97

17. TRADE RECEIVABLES

	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good unless stated otherwise		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	432.89	556.21
Doubtful	27.05	27.05
	459.94	583.26
Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	16,220.87	12,204.17
Doubtful	-	-
	16,220.87	12,204.17
Total Amount	16,680.81	12,787.43

Notes on Financial Statements for the year ended on March 31, 2015

18. CASH AND CASH EQUIVALENTS

	(In Lacs)	
	As at March 31, 2015	As at March 31, 2014
(a) Cash on hand	22.89	26.63
(b) Balances with banks		
(i) In current accounts	396.92	447.17
(ii) In earmarked accounts		
- Unpaid dividend accounts	3.93	3.51
(iii) Fixed Deposits with Bank	231.99	426.06
Including Interest Accrued of H13,11,853/-		
Total Amount	655.73	903.37

19. LOANS AND ADVANCES (CURRENT)

	(In Lacs)	
	As at March 31, 2015	As at March 31, 2014
Capital advances		
Secured, considered good	-	-
Unsecured, considered good	180.09	215.32
Doubtful	-	-
	180.09	215.32
Security deposit		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
Advances recoverable in cash or kind		
Secured considered good	914.59	1,936.86
Unsecured considered good	-	-
Doubtful	-	-
	914.59	1,936.86
Other loans and advances		
Income-tax	1,515.40	803.64
Prepaid expenses	82.28	137.18
Loans & Travel Advances to employees	19.95	19.45
Balance with Central Excise, VAT Authorities, etc.	1,617.04	2,284.13
MAT Credit Entitlement	1,430.00	1,230.00
	4,664.67	4,474.40
Total	5,759.35	6,626.58

20. OTHER CURRENT ASSETS

	(In Lacs)	
	As at March 31, 2015	As at March 31, 2014
Excise Duty Involved in Stocks lying with the various branches	3,291.08	2,810.58
Interest Recoverable	242.18	100.40
Insurance Claim Recoverable	115.57	60.24
Other Recoverable - Sales Tax Department	-	41.67
Preliminary Exp. not written off or adjusted	28.70	-
Dividend Receivable	4.40	-
Export Incentive Recoverable	3.15	3.44
Total Amount	3,685.08	3,016.33

Notes on Financial Statements for the year ended on March 31, 2015

21. REVENUE FROM OPERATIONS

	(In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Sale of products		
Finished goods	94,952.49	79,876.22
Traded goods	8,180.97	12,376.94
Sale of Scrap	-	0.39
Revenue from operations (Gross)	103,133.46	92,253.55
Less: Excise duty	6,714.31	5,845.38
Revenue from operations (Net)	96,419.15	86,408.17

Details of products sold

	(In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Finished goods sold		
Liquid	45,727.85	39,116.82
Powder	16,134.81	12,273.75
Granules	17,191.40	19,692.18
Technicals	15,898.43	8,793.47
Total	94,952.49	79,876.22
Traded goods sold		
Liquid	6,341.55	6,867.50
Powder	255.56	1,250.32
Granules	827.63	1,016.06
Raw Materials & Packing Materials	756.23	3,243.06
Total	8,180.97	12,376.94
Grand Total	103,133.46	92,253.16

22. OTHER INCOME

	(In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest income on		
Fixed deposits with Bank	30.91	17.32
[Tax Deducted At Source H3,08,477/- (P.Y.- H1,70,950/-)]		
Others	4.80	4.15
Total	35.71	21.47
Other non-operating income	7.82	23.90
Total Other Income	43.53	45.37

Notes on Financial Statements for the year ended on March 31, 2015

23. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

	(In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Raw Material		
Inventory at the beginning of the year	11,949.39	8,396.03
Add: Purchases	61,227.04	52,136.46
	73,176.43	60,532.49
Less: inventory at the end of the year	11,676.32	11,949.39
Cost of raw material consumed	61,500.11	48,583.10
Packing Material		
Inventory at the beginning of the year	1,294.59	1,386.23
Add: Purchases	6,706.85	6,354.13
	8,001.44	7,740.36
Less: inventory at the end of the year	1,537.87	1,294.59
Cost of Packing material consumed	6,463.57	6,445.77
Total Cost of raw material and components consumed	67,963.68	55,028.87

24. DETAILS OF PURCHASE OF TRADED GOODS

	(In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Liquid	3,690.39	5,314.33
Powder	46.91	1,116.19
Granules	526.46	583.33
Cost of Other Goods	698.52	3,170.33
Total	4,962.28	10,184.18

25. (INCREASE)/DECREASE IN INVENTORIES

	(In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
A. (Increase)/ Decrease in Traded Goods		
Closing Stocks	1,619.67	2,167.83
Less: Opening Stocks	2,167.83	1,342.91
(Increase)/Decrease in Closing Stock	548.16	(824.92)
B. (Increase)/Decrease in Finished Goods		
Closing Stocks	21,377.77	13,681.62
Less: Opening Stocks	13,681.62	9,789.56
(Increase)/Decrease in Closing Stock	(7,696.15)	(3,892.06)
C. (Increase)/Decrease in Semi Finished Goods		
Closing Stocks	2,848.19	1,899.03
Less: Opening Stocks	1,899.03	1,553.99
(Increase)/Decrease in Closing Stock	(949.16)	(345.04)
TOTAL (A+B+C)	(8,097.15)	(5,062.02)

Notes on Financial Statements for the year ended on March 31, 2015

25. (INCREASE)/DECREASE IN INVENTORIES (contd.)

(In Lacs)		
Details of inventory	For the year ended March 31, 2015	For the year ended March 31, 2014
Traded goods		
Liquid	1,442.44	1,903.75
Powder	49.30	177.57
Granules	127.93	86.51
Total	1,619.67	2,167.83
Finished goods		
Liquid	11,592.27	8,056.64
Powder	3,216.47	2,078.25
Granules	3,464.86	2,925.35
Technicals	3,104.17	621.38
Total	21,377.77	13,681.62

26. EMPLOYEE BENEFIT EXPENSE

(In Lacs)		
	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries wages and bonus	3,072.84	2,661.64
Contribution to provident and other funds	140.68	101.76
Gratuity expense	87.58	41.03
Staff welfare expenses	143.31	125.97
Total	3,444.41	2,930.40

27. DEPRECIATION AND AMORTIZATION EXPENSE

(In Lacs)		
	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation of tangible assets	1,359.55	631.21
Amortization of intangible assets	57.27	34.34
Total	1,416.82	665.55

28. FINANCE COSTS

(In Lacs)		
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest		
Interest on CC Limits & Buyer's Credit & Demand Loan	2,284.64	1,533.39
Interest (Others)	42.32	33.07
Interest on Term Loans	20.18	20.33
Interest on Unsecured Loans	54.92	-
Bank Charges	535.71	316.10
Net (gain) / loss on foreign currency transactions and translation (considered as finance cost)	377.92	788.28
Total	3,315.69	2,691.17

Notes on Financial Statements for the year ended on March 31, 2015

29. OTHER EXPENSES

	(In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Manufacturing Expenses :		
Consumption of stores and spares	228.90	324.87
Job Work Charges	11.28	-
Power and fuel Expenses	1,409.74	1,225.58
Freight Inward	170.42	210.03
Conveyance Expenses	79.05	67.80
Repairs and Maintenance (Machinery)	138.90	133.99
Repairs and Maintenance (Buildings)	31.66	16.54
Repairs and Maintenance (Others)	81.76	64.89
Pollution Control Expenses	70.46	69.02
Entry Tax /Toll Tax	61.94	61.54
Laboratory Expenses	45.41	44.34
	2,329.52	2,218.60
Selling & Distribution Expenses :		
Discounts & Rebates Allowed	7,190.10	6,324.31
Freight Outward	2,344.24	2,201.84
Business Promotion Expenses	1,718.84	1,601.64
Performance Incentive	200.99	218.27
Lekage/Demonstration/Testing / Tender Fees	26.87	27.33
Advertisement & Publicity Expenses	309.46	150.73
Royalty	222.18	217.52
Commission	665.92	624.77
Travelling and conveyance	758.11	629.34
	13,436.71	11,995.75
Administrative & General Expenses :		
Rent (Including Lease Rental)	157.62	133.37
Insurance	85.08	81.40
Telephone Expenses	32.45	34.29
Printing and Stationery	27.73	25.52
Legal and Professional Fees	143.30	155.48
Director Sitting Fees	9.72	6.91
Payment to Auditors (Refer Note No. 34)	24.72	20.22
Professional Tax	0.15	0.13
Electricity & Water Charges	90.44	48.16
Rates and taxes	10.65	11.68
Repairs and Maintenance (Others)	8.38	3.34
Conveyance Expenses	4.22	2.54
Postage & Telgramme Expenses	11.04	9.50
Filing Fees	12.51	0.32
Licence Fees	0.74	0.55
Office & Factory Maintenance Expenses	23.20	25.47
Membership & Subscription	4.53	6.75
Vehicle Running & Maintenance Expenses	33.87	31.43

Notes on Financial Statements for the year ended on March 31, 2015

29. OTHER EXPENSES (contd.)

	(In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Security Charges	73.80	60.19
Donation	24.84	24.48
TDS (Interest Paid)	0.62	0.07
Scooter Running & Maintenance Expenses	2.50	2.56
Fine & Penalties	11.11	3.21
Computer Running & Maintenance Expenses	67.86	53.46
Generator Repair & Maintenance Expenses	3.18	2.25
Books & Periodicals	0.84	0.37
Additional Sales Tax	8.36	4.38
ISO Expenses	2.00	1.59
Research & Development Expenses	308.65	101.17
Preliminary Expenses Written off	-	1.97
Petty balance Written off	(0.10)	1.36
Loss on Sale of Fixed Assets (net)	22.90	15.73
Miscellaneous Expenses	58.37	57.70
Prior Period Items (net)	8.59	8.34
	1,273.87	935.89
Total	17,040.10	15,150.24
Payment to Auditors		
Audit Fees	13.49	13.48
Tax Audit Fees	4.49	3.37
In Other Capacity (Taxation & Other Matters)	6.74	3.37
Total	24.72	20.22

30. EARNING PER SHARE (EPS)

The Company reports basic & diluted earnings per equity share in accordance with Accounting Standard – 20 issued by The Institute of Chartered Accountants of India. The same is computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year. The earning per share is calculated as under:

Particular	2014-15	2013-14
Profit after Taxation (In Lacs)	5484.38	3994.26
Weighted Average Number of Equity Shares	12682966	12682966
Earning Per Share (Basic & Diluted)	₹43.24	₹31.49
Face Value Per Share (₹)	₹10	₹10

Notes on Financial Statements for the year ended on March 31, 2015

31. EMPLOYEE BENEFITS

A. Retirement Benefits

- Retirement benefits in the form of Provident Fund / Family Pension Fund, which are defined contribution plans, are accounted for on accrual basis and charged to the Statement of Profit & Loss of the year.
- Retirement benefits in the form of Leave Encashment, which is defined benefit plan, is accounted for on the basis of an actuarial valuation done by applying the Projected Unit Credit Method.
- Retirement benefits in the form of Gratuity, which is define benefit plan, is determined and accounted for on the basis of an actuarial valuation done by applying the Projected Unit Credit Method.
- The actuarial Gains / Losses arising during the year are recognized in the Statement of Profit & Loss of the year.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit & Loss and the funded status and amounts recognized in the Balance Sheet for the Gratuity Plan:

Gratuity Liability

Particulars	(In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
I. Assumptions :		
Discount Rate	8.03%	8.25%
Rate of Return on Plan Assets	8.03%	8.70%
Salary Escalation	5.00%	5.00%
Attrition Rate	2.00% Age Related	2.00% Age Related
II. Change in the Present Value of Defined Benefit Obligation :		
Liability at the beginning of the year	215.36	170.64
Interest Cost	20.05	14.08
Current Service Cost	29.54	27.17
Benefit Paid	(0.39)	(11.47)
Actuarial (gain)/loss on obligations	55.09	14.94
Liability at the end of the year	319.65	215.36
III. Change in the Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	267.52	211.58
Expected Return on Plan Assets	23.27	18.41
Contributions by Employer	9.57	48.83
Benefit Paid	(0.39)	(11.47)
Actuarial gain/(loss) on Plan Assets	(1.74)	0.17
Fair Value of Plan Assets at the end of the year	298.23	267.52
Total Actuarial Gain/(Loss) To be Recognized	56.84	(14.77)
IV. Actual Return on Plan Assets		
Expected Return on Plan Assets	23.27	18.41
Actuarial gain/(loss) on Plan Assets	(1.74)	0.17
Actual Return on Plan Assets	21.53	18.58
V. Amount Recognized in the Balance Sheet		
Liability at the end of the year	319.65	215.36
Fair Value of Plan Assets at the end of the year	298.23	267.52
Difference	(21.42)	52.16
Unrecognized Past Service Cost	-	-
Amount Recognized in the Balance Sheet	(21.42)	52.16

Notes on Financial Statements for the year ended on March 31, 2015

31. EMPLOYEE BENEFITS (contd.)

Gratuity Liability

(In Lacs)		
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
VI. Expenses Recognized in the Statement of Profit & Loss		
Current Service Cost	29.54	27.17
Interest Cost	(3.23)	14.08
Expected Return on Plan Asset	-	(18.41)
Actuarial (Gain) or Loss	56.84	14.77
Expenses Recognized in the Statement of Profit & Loss	83.15	37.61
VII. Balance Sheet Reconciliation		
Opening Net (Liability)/Asset	52.16	40.94
Expense Recognized in the statement of Profit & Loss	(83.15)	(37.61)
Employers Contribution	9.57	48.83
Net (Liability)/Asset Recognized in Balance Sheet	(21.42)	52.16
VIII. Category of Assets		
Insurer Managed Funds	298.23	267.52
Total	298.23	267.52

Investment Details of Plan Assets: 100% with Life Insurance Corporation of India

- B. Short Term Employees Benefits are recognized as an expense in the Statement Profit & Loss of year in which the related service is rendered.

32. SEGMENT REPORTING

The Company is engaged in the business of Formulation & Manufacture of Pesticides. Segment Revenue, Segment Expenses, Segment Assets & Segment Liabilities have been identified to the segments on the basis of their relationship to the operating activities of the segment. The Revenue, Expenses, Assets & Liabilities which are not allocable to segments, have been included under "Unallocated Revenue, Expenses, Assets & Liabilities".

A. Primary Segment

Based on the following guiding principles given in the Accounting Standard-17 "Segment Reporting" issued by The Institute of Chartered Accountants of India, the Company's primary segments are Formulated Pesticides consisting of Pesticides, Herbicides, Fungicides & Plant Growth Regulators and Technical Pesticides, which are the basic active ingredients used for making formulations so that they can be used directly by the Farmers and/or Consumers:

- The nature of the products.
- The related risks and returns.
- The internal financial reporting system.

Revenue and Expenses have been accounted for based on the basis of their relationship to the operating activities of the segments.

Revenue and Expenses, which relates to the enterprise as a whole and are not allocable to the segments on a reasonable basis, have been included in under "Un-allocable Expenses & Revenue".

Assets and Liabilities, which relates to the enterprise as a whole and are not allocable to the segments on a reasonable basis, have been included in under "Un-allocable Assets / Liabilities".

Notes on Financial Statements for the year ended on March 31, 2015

32. SEGMENT REPORTING (contd.)

Primary Segment Information:

	Formulations		Technical's		Un-Allocated		Eliminations		Total	
	14-15	13-14	14-15	13-14	14-15	13-14	14-15	13-14	14-15	13-14
Segment Revenue (Sales/Income) :										
a) External Sales	80401	77172	16018	9236	-	-	-	-	96419	86408
b) Inter Segmental Sales	-	-	17181	12109	-	-	17181	12109	-	-
Sales	80401	77172	33199	21345	-	-	17181	12109	96419	86408
Segment Result :										
Operating Profit before Interest and Taxes	-	-	-	-	8778.01	6430.48	-	-	8778.01	6430.48
Add : Profit on Sale of Investment	-	-	-	-	-	-	-	-	-	-
Add : Dividend Income	-	-	-	-	5.19	-	-	-	5.19	-
Add : Interest income	-	-	-	-	35.71	21.47	-	-	35.71	21.47
Profit Before Tax	-	-	-	-	6416.85	4865.15	-	-	6416.85	4865.15
Current Tax (Net Of MAT Credit)	-	-	-	-	700.00	550.00	-	-	700.00	550.00
Deferred Tax	-	-	-	-	230.26	308.55	-	-	230.26	308.55
Wealth Tax	-	-	-	-	2.43	2.33	-	-	2.43	2.33
Provision for Taxes of Earlier year	-	-	-	-	(0.22)	10.00	-	-	(0.22)	10.00
Profit After Tax	-	-	-	-	5484.39	3994.27	-	-	5484.39	3994.27
Other Information :										
Segment Assets	-	-	-	-	92076.39	79137.35	-	-	92076.39	79137.35
Segment Liabilities	-	-	-	-	55443.79	49672.83	-	-	55443.79	49672.83
Capital Expenditure is as per Cash Flow Statement	1127.93	2668.81	1998.15	1813.29	221.49	136.83	-	-	3347.57	4618.93
Depreciation	490.48	162.70	773.62	381.57	152.72	121.28	-	-	1416.82	665.55
Non-Cash Expenditure	-	1.59	-	0.38	-	-	-	-	-	1.97

B. Secondary Segment

The Company caters mainly to the need of the Indian Market. The Export Turnover during the year is less than 10 % of the total turnover; as such there is no reportable geographical segment.

Notes on Financial Statements for the year ended on March 31, 2015

33. RELATED PARTY DISCLOSURES

In compliance to AS 18 issued by The Institute of Chartered Accountants of India, the Disclosure of transactions with Related Parties as defined in Accounting Standard are given herein below:

i) Related Parties

A. Key Management Personnel & their Relatives :

- | | |
|----------------------------|------------------------------|
| 1. Sh. Hari Chand Aggarwal | 8. Sh. Vrijesh Kumar Gupta |
| 2. Sh. Rajesh Aggarwal | 9. Sh. Gopal Chandra Agarwal |
| 3. Ms. Nikunj Aggarwal | 10. Sh. Navin Shah |
| 4. Sh. Navneet Goel | 11. Sh. Anil Kumar Singh |
| 5. Sh. Sandeep Aggarwal | 12. Ms. Sonia Aggarwal |
| 6. Sh. Pankaj Gupta | 13. Ms. Anju Aggarwal |
| 7. Sh. Sanjeev Aggarwal | |

B. Other related parties where common control exists and with whom the company had transactions during the year:

- | | |
|--|-------------------|
| 1. Paras Agro Industries | Associate Firm |
| 2. ISEC Organics Ltd. | Associate Company |
| 3. Evergreen Mineral Industries | Associate Firm |
| 4. Valve Pneumatics | Associate Firm |
| 5. Vinod Metal Industries | Associate Firm |
| 6. Oats & ILL India Laboratories Private Limited | Joint Venture |

(Except above, there is no other related persons / parties with whom transaction took place during the year as confirmed and certified by the Management of the Company)

ii) Transactions during the year with related parties:-

					(In Lacs)
Sl No.	Name of Related Parties	Relationship	Nature of Payment	2014-15	2013-14
1	Sh. Hari Chand Aggarwal	Chairman	Director's Remuneration & Perquisites	76.00	76.00
			Loan Taken	350.00	-
			Interest Paid	18.67	-
			Loan Repaid	350.00	-
2	Sh. Rajesh Aggarwal	Managing Director	Director's Remuneration & Perquisites	63.40	63.32
			Loan Taken	598.00	-
			Interest Paid	30.81	-
			Loan Repaid	598.00	-
3	Sh. Sanjeev Bansal	Whole-time Director	Director's Remuneration & Perquisites	-	2.23
4	Smt. Nikunj Aggarwal	Whole-time Director	Director's Remuneration & Perquisites	12.82	11.82
5	Sh. Vrijesh Kumar Gupta	Director	Sitting Fees	1.80	1.50
6	Sh. Navneet Goel	Director	Sitting Fees	1.65	1.35
7	Mr. Gopal Chandra Agarwal	Director	Sitting Fees	1.95	1.50
8	Mr. Navin Shah	Director	Sitting Fees	1.30	0.30
9	Mr. Anil Kumar Singh	Director	Sitting Fees	1.95	1.50
10	ISEC Organics Ltd	Associate Company	Rent	35.76	33.71
11	Paras Agro Industries	Associate Firm	Purchases	31.80	138.00
12	Evergreen Mineral Industries	Associate Firm	Purchases	82.66	261.54
13	Vinod Metal Industries	Associate Firm	Purchases	80.13	-

Notes on Financial Statements for the year ended on March 31, 2015

33. RELATED PARTY DISCLOSURES (contd.)

ii) Transactions during the year with related parties:-

(In Lacs)

Sl No.	Name of Related Parties	Relationship	Nature of Payment	2014-15	2013-14
14	Valves & Pneumatics	Associate Firm	Purchases	4.21	-
15	OAT & IIL India Laboratories	Joint Venture	R & D Expense	1,27.48	NIL
16	Sonia Aggarwal	Relative of KMP	Consultancy	6.75	N.A.
17	Sanjeev Aggarwal	Relative of KMP	Salary & other benefits	14.37	N.A.
18	Anju Aggarwal	Relative of KMP	Salary & other benefits	7.20	N.A.
19	Sandeep Aggarwal	KMP(CFO)	Salary & other benefits	22.27	N.A.
20	Pankaj Gupta	KMP (Company Secretary)	Salary & other benefits	9.58	N.A.

iii) Balance outstanding with related parties:-

(In Lacs)

Sl No.	Name of Related Parties	Relationship	Nature of O/S	As at March 31, 2015	As at March 31, 2015
1	Sh. Hari Chand Aggarwal	Chairman	Remuneration Payable	4.25	3.87
2	Sh. Rajesh Aggarwal	Managing Director	Remuneration Payable	3.55	3.48
3	Smt. Nikunj Aggarwal	Whole-time Director	Remuneration Payable	0.84	0.83
4	Paras Agro Industries	Associate Firm	Trade Payable	0.80	NIL
5	Evergreen Mineral Industries	Associate Firm	Trade Payable	1.34	NIL
6	ISEC Organics Ltd.	Associate Company	Rent Payable	6.81	3.24
7	Vinod Metal Industries	Associate Firm	Trade Payable	5.53	11.28
8	Valves Pneumatics	Associate Firm	Trade Payable	0.94	0.25
9	Oats & IIL India Laboratories Private Limited	Joint venture		-	N.A.*
10	Sh. Sandeep Aggarwal	CFO	Remuneration Payable	1.47	N.A.*
11	Sh. Pankaj Gupta	Company Secretary	Remuneration Payable	0.78	N.A.*
12	Sh. Sanjeev Aggarwal	Relative Of KMP	Remuneration Payable	1.05	N.A.*
13	Ms Sonia Aggarwal	Relative Of KMP	Consultancy Fees	0.52	N.A.*
14	Ms Anju Aggarwal	Relative Of KMP	Remuneration Payable	0.70	N.A.*

* Figures of KMP was not applicable in 2013-14 as per Company Act, 2013

34. DEFERRED TAX LIABILITIES

The detail of deferred tax liabilities for the year is given as under:

(In Lacs)

Particular	As at March 31, 2015	As at March 31, 2014
Deferred Tax Assets	NIL	NIL
Deferred Tax Liabilities (Related to Depreciation)	1556.92	1326.66
Deferred Tax Liabilities		
At the end of the year	1556.92	1326.66
For the year	230.26	308.55

Notes on Financial Statements for the year ended on March 31, 2015

35. PAYMENT TO AUDITORS : (NET OF SERVICE TAX)

(In Lacs)		
Particular	2014-15	2013-14
(a) Auditors		
Statutory Audit Fees	12.00	12.00
Tax Audit Fees	4.00	3.00
In Other Capacity		
Taxation & Other Matters	6.00	3.00
(b) Cost Audit Fee	2.30	2.30
TOTAL	24.30	20.30

36. REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND: NIL

37. COST OF IMPORTED MATERIALS CONSUMED

Particular	2014-15		2013-14	
	Amount (In Lacs)	Percentage	Amount (In Lacs)	Percentage
A. Raw Material Consumed				
Imported	21592.43	35.11	14704.28	30.27
Indigenous	39907.68	64.89	33878.82	69.73
Total	61500.11	100.00	48583.10	100.00
B. Packing Materials & Consumable Stores Consumed				
Imported	-	-	-	-
Indigenous	6692.48	100.00	6770.64	100.00
Total	6692.48	100.00	6770.64	100.00
C. Raw Material, Packing Materials & Consumable Stores Consumed				
Imported	21592.43	31.66	14704.28	26.56
Indigenous	46600.16	68.34	40649.46	73.44
Total	68192.59	100.00	55353.74	100.00

38. VALUE OF IMPORTS (ON CIF BASIS)

(In Lacs)		
Particular	2014-15	2013-14
Raw Materials	19978.52	15818.48
Machinery	177.00	17.46

39. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The company's policy covers current as well as proposed CSR activities to be undertaken by the company and examining their alignment with Schedule VII of the Act.

The company proposes to implement its CSR activities in various sectors which includes promoting Education, green initiatives, facilities for senior citizens, vocational & entrepreneurship skills, medical aid & healthcare, old age homes & women hostels, art and culture, destitute care and rehabilitation, rural development projects and others.

Notes on Financial Statements for the year ended on March 31, 2015

40. EXPENDITURE IN FOREIGN CURRENCY

(In Lacs)		
Particular	2014-15	2013-14
Tour & Travelling Expenses	16.64	6.44
Royalty	216.76	217.52
Sales Promotion	-	1.93
Professional Charges	-	2.87
Interest	328.86	429.78

41. INCOME IN FOREIGN CURRENCY (FOB)

(In Lacs)		
Particular	2014-15	2013-14
Export Sales	86.12	231.82
Dividend Income	5.19	0

42. CONTINGENT LIABILITIES

(In Lacs)			
S. No.	Particular	As at March 31, 2015	As at March 31, 2014
(a)	Letter of Credits (FLC & ILC)	8825.99	13326.63
(b)	Bank Guarantee	326.93	424.57
(c)	Import Bills Accepted with Banks	NIL	563.55
(d)	Excise Matter with Appellate Authority, New Delhi (Period Covered – March, 2002 to October, 2002)	NIL	75.67
(e)	Excise Matter with Appellate Authority, New Delhi (Period Covered – Sept., 2004 to August, 2007)	186.11	186.11
(f)	Sales Tax Matters	473.55	464.04

(Except above no other contingent liabilities are outstanding as explained and Certified by the Management of the Company)

With respect to contingent liabilities reported at (e) and (f) above, the management has taken an opinion from the legal advisors / professionals engaged by them and is very much hopeful that the appeals will be decided in the favour of the company and as such, no provision thereof has been made.

43. Estimated amount of Contract remaining to be executed on capital accounts (net of advances) & not provided for NIL (Previous year H950 Lacs).

44. In the opinion of the Board of Directors of the Company, the current assets, loans and advances have the value at least equal to the figures stated in the Balance Sheet on realization in the ordinary course of business and provision for all determinable/known liabilities have been made in the Accounts when reliable estimates can be made of the amount of obligation.

45. The Balances shown under the head sundry debtors and Sundry Creditors are subject to confirmation and reconciliations. However, the Company has initiated the process of obtaining confirmations from sundry debtors & creditors.

46. The Company has valued inventories as required under AS-2 issued by The Institute of Chartered Accountants of India.

47. The total amount payable to Small Scale Industries (SSI) outstanding for more than 30 days as at March 31, 2015 is H1176.35 Lacs (Previous Year - H1312.75 Lacs).

Notes on Financial Statements for the year ended on March 31, 2015

48. The Company has not received any confirmation from suppliers regarding their status of registration under the Micro, Small & Medium Enterprises Development Act, 2006 which came into effect from October 2, 2006 and hence disclosure required under the said act have not been given.
49. The Previous Year Figures have been reworked, regrouped, rearranged, reclassified and / or re-casted wherever deemed necessary to make them comparable with those of the current year's figures.
50. All the common expenses incurred during the year in respect of Formulation (Products) units at Chopanki, Samba, Udampur and Dahej have been allocated at the year end in the proportion to sales (net) effected during the year. The Technical (Products) Units at Chopanki & Dahej are separate as well as independent units having no common activities if compared with above mentioned Formulation Units and as such, the expenses incurred by branches/ other units have not been allocated to the Technical unit except common expenses incurred by the Head office which are allocated in proportion to Sales (net) effected by all the units.

51. DERIVATIVES INSTRUMENTS & UNHEDGED FOREIGN CURRENCY EXPOSURE

- a) The nominal amount of derivative contracts entered into by the company and outstanding as on March 31, 2015 amounts to H2607.90 Lacs (Previous Year – H3074.96 Lacs). The Category wise break-up is given below:-

		(In Lacs)	
S. No.	Particular	As at March 31, 2015	As at March 31, 2014
1	Interest Rate Swaps	10.94	11.55
2	Currency Swaps	2104.77	2321.90
3	Options	492.19	741.51

- b) Foreign currency exposure that are not hedged by derivatives instruments as on March 31, 2015 amounts to H6722.36 Lacs (Previous Year H15060.70 Lacs).
- c) Mark to Market Losses provided by the company in earlier year; reversed during the year amounts to H17.96 Lacs i.e. M to M as on March 31, 2015 stands at H14.68 Lacs (Previous Year- H32.64 Lacs).

As per our separate report of even date annexed herewith

For MOHIT PAREKH & CO.

Chartered Accountants
Firm Reg. No. 0002067N

Mohit A Parekh
Proprietor
M.No.- 081069

Place : Delhi
Date: May 27, 2015

For and on Behalf of the Board

Hari Chand Aggarwal
Chairman
DIN 00577015

Sandeep Aggarwal
Chief Financial Officer

Rajesh Aggarwal
Managing Director
DIN 00576872

Pankaj Gupta
Company Secretary

Nikunj Aggarwal
Whole Time Director
DIN 06569091

NOTES

NOTES





Insecticides (India) Limited

Regd. & Corp. Office: 401-402, Lusa Tower, Azadpur Commercial Complex, Delhi-110033

INSECTICIDES (INDIA) LIMITED

Corporate Identification Number (CIN): L65991DL1996PLC083909
Regd. Office: 401-402, Lusa Tower, Azadpur Commercial Complex, Delhi – 110033
Website: www.insecticidesindia.com, Email: investor@insecticidesindia.com
Telefax: +91 - 11 - 27679700 - 04

Notice

NOTICE is hereby given that the 18th Annual General Meeting of the members of INSECTICIDES (INDIA) LIMITED ("the Company") will be held on Tuesday, 22nd day of September, 2015 at 1.00 P.M. at M. P. C. U. Shah Auditorium, Civil Lines, Delhi – 110 054, to transact the following businesses:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015 together with the Report of the Board of Directors and the Auditors.
2. To declare a final dividend of ₹ 2.50 (25%) per Equity Share for the financial year 2014-15.
3. To appoint a Director in place of Mrs. Nikunj Aggarwal (DIN 06569091), who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and pursuant to the recommendations of the Audit Committee of the Board of Directors, Messrs Mohit Parekh & Co., Chartered Accountants, Delhi (Firm Regd. No. 002067N) be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, to conduct the audit at a remuneration that may be fixed by the Board of Directors."

Special Business

5. To approve the remuneration of the Cost Auditors for the financial year 2015-16 and in this regard to consider and if, thought fit to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:-
"RESOLVED THAT pursuant to the provisions of Section 148 (3) of the Companies Act, 2013 and all relevant provisions, if any, the remuneration of Messrs A.G.S. & Associates, Cost Accountants, Delhi (Firm Regd. No. 000176), appointed by the Board of Directors of the Company, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2015-16 be paid the remuneration of ₹ 300000.00

(Rupees Three Lacs)(exclusive service tax & out of pocket expenses) as set out in the statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all act(s), deed(s), thing(s) and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board

Registered Office:

401-402, Lusa Tower,
Azadpur Commercial Complex,
Delhi – 110033
CIN: L65991DL1996PLC083909
e-mail: Investor@insecticidesindia.com
Date: August 25, 2015

(Pankaj Gupta)
Company Secretary

NOTE(S):

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HERewith. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.
2. Pursuant to the provisions of Section 105 of the Companies Act, 2013 read with applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member.
3. The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the notice is annexed.
4. Corporate members are requested to send a duly certified

copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.

5. Pursuant to Section 91 of the Act, the Register of Members and the Share Transfer Books will remain closed from September 14, 2015 to September 22, 2015 (both days inclusive) for the purpose of payment of the final dividend for the financial year ended March 31, 2015.
6. Disclosure as per Clause 49 of Listing Agreement and Secretarial Standards 2

Name of the Director	Mrs. Nikunj Aggarwal
Date of Birth	1st January, 1973
Age	42 year
Date of first Appointment on the Board of the Company	2nd May, 2013
Qualification	B.A
Expertise in specific functional area	Marketing
List of Public Companies in which outside Directorship held	Nil
Chairman/ Member of the Committee of Board of Directors of Public Companies	Nil
Terms and Conditions of Appointment along with the remuneration sought to be paid	i) She has been appointed as a Whole-time Director on the retire by rotation basis. ii) She shall exercise and perform such powers and duties as the Board of Directors of the Company. iii) She shall be responsible for day to day management and affairs of the Company. iv) She shall receive ₹ 1 Lac per month inclusive of DA and other allowances as remuneration alongwith other benefits as per rule of the Company.
Remuneration Last drawn	₹ 12.82 Lacs
Shareholding in the Company	750000
Relationship with other Directors	Wife of Mr. Rajesh Aggarwal, Managing Director and daughter in law of Mr. Hari Chand Aggarwal, Chairman

7. Every member entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days' notice in writing of the intention so to inspect is given to the Company.
8. Members seeking any information with regard to Annual Accounts are requested to write to the Company at least one week in advance from the date of Annual General Meeting (AGM) so as to enable the Company to keep information ready at the time of AGM.
9. The business set out in the Notice will be transacted through Electronic voting system and the Company is providing facility for voting through electronic means. Instructions and other related information for e-voting is provided herein below. Further, the Company will also send communication relating to remote e-voting which inter alia would contain details about user ID and password along with copy of this Notice to the members separately.
10. In terms of Section 101 & 136 of the Act read together with the rules made there under, the Listed Companies may send the notice of AGM and the Annual Report including all Financial Statements, Board Report etc. by electronic mode or by providing the link. The Company is accordingly provide the link or forwarding soft copies of the above referred documents to all those members who have registered their e-mail ids with their respective DPs or with the Share Transfer Agent of the Company.
11. Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the AGM
12. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the AGM.

13. Route Map of the Venue of the Meeting i.e. M. P. C. U. Shah Auditorium, Civil Lines, Delhi



14. Members / Proxies should bring the copies of Annual Reports and Attendance Slips duly filled in, for attending the meeting.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
16. The Company has appointed Messrs Akash Gupta & Associates, Practising Company Secretary (ACS No. 30099 and CP No. 11038) as the Scrutinizer, for conducting the voting / poll and remote e-voting process in a fair and transparent manner.
17. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will not later than three days of conclusion of the Meeting, makes a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.insecticidesindia.com and on the website of the Central Depository Services (India) Limited www.evotingindia.co.in. The results shall simultaneously be communicated to the Stock Exchanges.
18. Members may please note that no gift/gift coupons shall be distributed at the Venue of the Annual General Meeting.
19. Any person, who acquires shares of the Company and come Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 15, 2015 may follow the same instructions for e-Voting.
20. Send the queries, if any, at least 15 days in advance of the meeting at the Company's registered office at 401 -402, Lusa Tower, Azadpur Commercial Complex, Delhi – 110033 so that information can be made available at the Meeting.
21. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Meeting, we request you to please bring your folio number/demat account number/DPID/Client ID to enable us to give you a duly filled attendance slip for your signature and participation at the meeting.
22. Members who have not registered their e-mail addresses so far, are requested to register their email address for receiving Annual Reports and other Communication from the Company electronically.
23. **Voting through electronic means**
Information and other instructions relating to e-voting (including remote e-voting) are as under:

In compliance with provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies

(Management and Administration) Rules, 2014 (hereinafter referred as "the rules"), and Clause 35B of the Listing Agreement the members are entitled to exercise their right to vote electronically for passing the above resolution(s). The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

Company is providing to its members e-voting facility to exercise their votes, on the items of business given in the Notice through e-voting system, to members holding shares as on September 15, 2015 being the cut-off date (Record date for the purpose of rule 20 (3) (vii) of the Rules) fixed for determining voting rights of members, at the 18th AGM by electronic means through the e-voting platform provided by Central Depository Services (India) Limited (CDSL).

The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

The cut-off date for the purpose of voting (including remote e-voting) is September 15, 2015.

The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:

Commencement of remote e-voting 10:00 a.m. on September 18, 2015

End of remote e-voting 05:00 p.m. on September 21, 2015

During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on September 15, 2015, may cast their vote electronically. The e-voting (including remote e-voting) module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the members, he/ she shall not be allowed to change it subsequently.

The instructions for e-Voting (including remote e-voting) are as under:

- Open your web browser during the voting period and log on to the e-voting website www.evotingindia.co.in
- Now click on 'Shareholders' tab to cast your votes
- Now, select the 'Electronic Voting Sequence Number (EVSN)' along with 'Insecticides (India) Limited' from the drop down menu and click on 'SUBMIT' TAB
- Now Enter your User ID (For CDSL: 16 digit beneficiary ID, For NSDL: 8 Character DP ID followed by 8 digits Client ID, Members holding shares in Physical Form should enter Folio

Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.

- If you are holding shares in Demat form and had logged on to www.evotingindia.co.in and casted your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- Now, fill up the following details in the appropriate boxes:

PAN*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (in Capital) (Applicable for both demat shareholders as well as physical shareholders)
DOB**	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
DIVIDEND** BANK DETAILS	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name Amit Kumar with sequence number 1 then enter AM00000001 in the PAN field.

** Please enter any one of the details in order to login. In case either of the details are not recorded with the depository, please enter the default number 1234 in the Dividend Bank details field.

- After entering these details appropriately, click on 'SUBMIT' TAB
- Shareholders holding shares in Physical Form will then reach directly to the EVSN selection screen. However, Shareholders holding shares in Demat Form will now reach 'Password Change' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the Demat holders for voting for resolution of any company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- Shareholders holding shares in physical form can use these details only for remote e-voting on the resolutions contained in this Notice.
 - Click on the relevant EVSN on which you choose to vote.
 - On the voting page, you will see Description of Resolution(s) and option for voting Yes/No for voting. Select the option yes or no as desired. The option 'YES' implies that you assent to the resolution & 'NO' implies that you dissent to the resolution.
 - Click on the Resolution file link if you wish to view the entire Notice.
 - After selecting the resolution you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
 - Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
 - You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot password & enter the details as prompted by the system.
 - Institutional Shareholders (i.e other than Individuals, HUF, NRI etc.) are required to log on <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board resolution and Power of Attorney which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.
 - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions and e-voting manual available at www.evotingindia.co.in under help section or write an email to CDSL on helpdesk.evoting@cdslindia.com or on investor@insecticidesindia.com
 - The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on September 15, 2015.
24. All documents referred to in the accompanying Notice and Statement pursuant to Section 102 shall be open for inspection by the members at the registered office of the Company during the business hours on all working days except Saturday & Sunday upto the date of the Meeting.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, ANNEXURE TO THE NOTICE CONVENING THE ANNUAL GENERAL MEETING TO BE HELD ON SEPTEMBER 22, 2015

Item No.5

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of Messrs A.G.S. & Associates, Cost Accountants, Delhi (Firm Regd. No. 000176), to conduct the audit of the cost records of the Company for the financial year 2015-16.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution for this item for approval of the remuneration of ₹ 300000/- (Rupees Three Lacs) (excluding service tax & out of pocket expenses) payable to Cost Auditor for the financial year 2015-16.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this resolution.

The Board of Directors recommend the Ordinary Resolution as set out at Item No. 5 of the Notice for approval by the members.

By Order of the Board

Registered Office:

401-402, Lusa Tower,
 Azadpur Commercial Complex,
 Delhi – 110033
 CIN: L65991DL1996PLC083909
 e-mail: Investor@insecticidesindia.com
 Date: August 25, 2015

(Pankaj Gupta)
 Company Secretary

INSECTICIDES (INDIA) LIMITED

Corporate Identification Number (CIN): L65991DL1996PLC083909
Regd. Office: 401-402, Lusa Tower, Azadpur Commercial Complex, Delhi – 110033
Website: www.insecticidesindia.com, Email: investor@insecticidesindia.com
Telefax: +91 - 11 - 27679700 - 04

Attendance Slip

18th Annual General Meeting

Day, Date & Time: Tuesday, September 22, 2015 at 1:00 pm

Venue of the Meeting: M. P. C. U. Shah Auditorium, Civil Lines, Delhi – 110 054

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name of the Shareholder	
Address of the Shareholder	
DP ID*	
Client ID*	
Folio No.	
No. of Shares	

* Applicable to shareholders holding shares in electronic form.

I/We hereby record my presence at the 18th Annual General Meeting being held on Tuesday, September 22, 2015 at 1:00 p.m. at M.P.C.U. Shah Auditorium, Civil lines, Delhi-110054.

Member's/Proxy's Signature

Notes:

1. Electronic copy of the Annual Report for 2015 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.
2. Physical copy of the Annual Report for 2015 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email id is not registered or have requested for a hard copy.
3. Registration will start at 11:30 a.m. and close at 1:00 p.m. on the day of Annual General Meeting
4. Members are required to produce their duly signed Attendance Slips
5. Members should produce their entry passes at the entrance of the Annual General Meeting hall for attending the same.
6. This Attendance Slip is valid only in case shares are held in the date of Annual General Meeting.

Form No. MGT - 11**Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

INSECTICIDES (INDIA) LIMITED

CIN : L65991DL1996PLC083909

Registered Office: 401-402, Lusa Tower,

Azadpur Commercial Complex, Delhi-110 033

Website : www.insecticidesindia.com; Email :investor@insecticidesindia.com,

Telefax : +91 – 11 – 27679700 - 04

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No/ Client Id	
DP ID	

I/We, being the member (s) of shares of the above named company, hereby appoint

- Name:

Address:

E-mail Id: Signature: or failing him/her
- Name:

Address:

E-mail Id: Signature: or failing him/her
- Name:

Address:

E-mail Id: Signature: or failing him/her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 18th Annual General Meeting of the Company, to be held on Tuesday, September 22, 2015 at 1:00 p.m. at M.P.C.U. Shah Auditorium, Civil Lines, New Delhi 110 054 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Resolution	Optional [*]	
Ordinary Business		For	Against
1	Audited Financial Statements of the Company for the year ended March 31, 2015 together with the Reports of Board of Directors and Auditors thereon.		
2	Declaration of Final Dividend.		
3	Re-appointment of Mrs. Nikunj Aggarwal, who retires by rotation.		
4	Appointment of Statutory Auditors and to fix their remuneration.		
Special Business			
5	Approval of remuneration payable to Cost Auditors for the financial year 2015-16.		

Signed this day of 2015

Signature of the Shareholder

Affix
Revenue
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the details of Resolution, Statement and Notes, please refer to the Notice of 18th Annual General Meeting.
3. It is optional to indicate your reference. If you leave the column blank against any or all resolution, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
4. Please complete all details including details of member(s) before submission.
5. A Proxy need not be a member of the Company.
6. No instruments of proxy shall be valid unless
 - (a) In case of an individual shareholder, it is signed by him/her or his/her attorney, duly authorized in writing.
 - (b) In case of joint holder, it is signed by the shareholder first named in the register or his /her attorney, duly authorized in writing
 - (c) In the case of a body corporate signed by its officer or an attorney duly authorized in writing.
7. The proxy together with
 - (d) the power of attorney or other authority (if any) under which it is signed or
 - (e) a copy of the power or authority, certified by a Notary Public or a Magistrate, should be deposited at the registered office of the Company.
8. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
9. *This is only optional. Please put a (✓) in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.
10. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes
11. The Proxy should carry its Identity Proof.

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